FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Europe

FBIS-EEU-89-196
Thursday
12 October 1989

Daily Report
East Europe

FBIS-EEU-89-196 *12 October 1989*

CONTENTS

BULGARIA

Turkish Foreign Minister's UN Speech Criticized *[RABOTNICHESKO DELO 10 Oct]* 1
40th Anniversary of GDR's Founding Observed 1
Lukanov Speaks at Meeting *[BTA]* 1
Atanasov Praises Friendship *[NEUES DEUTSCHLAND 5 Oct]* 2
GDR's Successes Assessed *[RABOTNICHESKO DELO 7 Oct]* 2
GDR's Contribution to Security *[VECHERNI NOVINI 10 Oct]* 3

CZECHOSLOVAKIA

CPCZ CC Opens 15th Session 11 Oct 4
Jakes Discusses Issues *[CTK]* 4
Knotek Report on Environment *[CTK]* 5
Enviromental Issues Discussed *[Prague Radio]* 5
Session Continues *[CTK]* 6
Annulment of MSZMP Seen as 'Destruction' *[Bratislava PRAVDA 10 Oct]* 6
Impact of Events on Ethnic Hungarians Viewed *[Bratislava PRAVDA 10 Oct]* 7
Dam Constructors Pledge To Honor Timetable *[RUDE PRAVO 5 Oct]* 8
Hungary's Nemeth Arrives for Talks 11 Oct 8
Welcomed by Adamec *[Prague Radio]* 8
Talks Held on Relations *[Bratislava Radio]* 8
MTI Reports Talks 8
Bos-Nagymaros Discussed *[Budapest Radio]* 9
Solidarity Criticized for 'Depoliticization' Policy *[RUDE PRAVO 7 Oct]* 9
Johanes Meets GDR Diplomats, Stresses Cooperation *[East Berlin ADN]* 10
SED's Seibt Arrives for 5-Day Visit *[Bratislava PRAVDA 10 Oct]* 10
Adamec Speech on Agricultral Reform 7 Oct *[Bratislava PRAVDA 9 Oct]* 10
Federal Assembly Chamber Discuss State Enterprise *[Prague Radio]* 15
45th Anniversary of Carpathian-Dukla Operation 15
Vaclavik's Order of Day *[RUDE PRAVO 5 Oct]* 15
Vaclavik Views Armed Forces *[RUDE PRAVO 6 Oct]* 16
Jakes, Husak Receive Army Group *[RUDE PRAVO 6 Oct]* 17
Pitra Speaks at Rally *[Prague TV]* 18
USSR's Kurkotkin Addresses Rally *[Prague TV]* 20

GERMAN DEMOCRATIC REPUBLIC

Politburo Calls for 'Attractive Socialism' *[ADN]* 22
Hager Cited on Strategy for 'Necessary Changes' *[East Berlin Radio]* 23
Further on Hager Interview *[Hamburg DPA]* 24
More on Interview *[Hamburg DPA]* 24
'Comprehensive National Discussion' Supported *[ADN]* 25
DPA Reports Situation With SED, Opposition 25
Dresden Mayor Talks With Opposition *[Hamburg DPA]* 25
Activity in SED Surmised *[Hamburg DPA]* 25
CC Members Called to Session *[Hamburg DPA]* 26
CC Considers Media Policy *[Hamburg DPA]* 26
Leadership Under More Pressure *[Hamburg DPA]* 26
FDJ Offers Talks With Opposition *[Hamburg DPA]* 26
'Massive Action' Against Protesters *[Hamburg DPA]* 26
West Berlin Group Idea Rejected *[Hamburg DPA]* 27
'New Forum' Members Arrested *[Hamburg DPA]* 27
'New Forum' Criticizes Statement *[Hamburg DPA]* 27

Professor Says 'Good Old Things' Must Change *[Hamburg BILD 12 Oct]* 27
Reinhold Says Reform Must Serve Socialism *[ADN]* 28
Homann Says FRG Campaign 'Playing With Fire' *[NATIONAL-ZEITUNG 5 Oct]* 28
U.S. Urged to Reconsider Chemical Weapons Ban *[ADN]* 29
Honecker Greets Anti-Nuclear Physicians Group *[NEUES DEUTSCHLAND 9 Oct]* 29
Honecker Holds Meeting With PDRY Leader *[NEUES DEUTSCHLAND 10 Oct]* 30
Honecker Visit to Denmark This Month Postponed *[ADN]* 30
Goetting Meets With Polish PAX Chairman *[NEUES DEUTSCHLAND 10 Oct]* 30
Plans Made To Contract 80,000 PRC Workers *[Vienna DER STANDARD 9 Oct]* 31
Fischer Meets With Counterparts in New York *[NEUES DEUTSCHLAND 3 Oct]* 31
Messages, Celebrations Mark Anniversary 32
Numerous Delegations Attend *[ADN]* 32
Soviet Military Holds Event *[NEUES DEUTSCHLAND 6 Oct]* 34
Herrmann Emphasizes Friendship *[RABOTNICHESKO DELO 6 Oct]* 34
Societies Send Congratulations *[NEUES DEUTSCHLAND 5 Oct]* 36
Honecker Answers Societies *[NEUES DEUTSCHLAND 5 Oct]* 38
Kessler Receives Admirals *[NEUES DEUTSCHLAND 9 Oct]* 38
'Friendly' Talks Held *[NEUES DEUTSCHLAND 9 Oct]* 38
Greetings Sent on Occasion of Anniversary 39
Hungarian Leaders Send Message *[NEUES DEUTSCHLAND 9 Oct]* 39
Polish Leaders' Greetings *[NEUES DEUTSCHLAND 9 Oct]* 39
Al-Qadhdhafi Greets Honecker *[NEUES DEUTSCHLAND 10 Oct]* 40
Ethiopia Sends Greetings *[NEUES DEUTSCHLAND 9 Oct]* 41
Ortega Greets Honecker *[NEUES DEUTSCHLAND 10 Oct]* 41
Mongolian Leaders' Message *[NEUES DEUTSCHLAND 10 Oct]* 42
Greetings From Cambodia *[NEUES DEUTSCHLAND 10 Oct]* 42
Vietnamese Leaders' Message *[NEUES DEUTSCHLAND 10 Oct]* 43
Lao Leaders Greet Counterparts *[NEUES DEUTSCHLAND 10 Oct]* 43
Chissano Greets Honecker *[NEUES DEUTSCHLAND 10 Oct]* 44
Greetings From Iran *[NEUES DEUTSCHLAND 10 Oct]* 45
Iraq's Husayn Greets Honecker *[NEUES DEUTSCHLAND 10 Oct]* 45
Catholics Send Greetings *[NEUES DEUTSCHLAND 10 Oct]* 45

HUNGARY

USSR's Medvedev on Changes in Hungary *[Budapest Radio]* 46
CPSU's Shishlin Cited on Relations With HSP *[MTI]* 46
Nyers Interviewed on Changes, USSR *[Paris LE FIGARO 7-8 Oct]* 46
Kovacs Speaks on Relations With USSR, Bloc *[Budapest Radio]* 47
Further on Ties *[MTI]* 47
Journalist Describes Expulsion From Leipzig *[Budapest TV]* 48
Daily Recounts Refugee Talks With GDR's Ott *[MTI]* 48
Editorial Commemorates GDR Anniversary *[NEPSZABADSAG 7 Oct]* 48
Socialist Party Presidium Holds Founding Session *[Budapest Radio]* 49
Member Comments on Session *[Budapest Radio]* 49
Leaders Interviewed on New HSP, Congress 50
Nyers on 'Compromise' *[Vienna DER STANDARD 10 Oct]* 50
Nyers Views HSP *[Rome LA REPUBBLICA 10 Oct]* 50
Grosz Against HSP *[NEPSZABADSAG 9 Oct]* 51
Straub on 'New Style' *[NEPSZABADSAG 9 Oct]* 52
Szokai, Tabajdi on Party *[NEPSZABADSAG 9 Oct]* 52
Szolnok Party Officials 'Object' to HSP *[Budapest Radio]* 53
Opposition Participates in Assembly Committee *[Budapest Radio]* 53
Opposition Congress Television Coverage Plans *[Budapest Radio]* 53
Opposition Groups Demonstrate in Budapest *[Budapest Radio]* 53
MDF Spokesman on High Price of Compromise *[Budapest Radio]* 54
Csepel Communists Form MSZMP Organization *[Budapest Radio]* 54
Kovacs Interviewed on Prospects for Neutrality *[Budapest Radio]* 54
Nemeth Chairs Council College Session *[MTI]* 55
TOT, Government Meet To Debate Subsidies *[MTI]* 56

POLAND

700 Refugees at FRG Embassy in Warsaw *[Warsaw TV]* 57
Spokeswoman Denies Remarks on Border Checks *[Warsaw TV]* 57
Foreign Ministry on Illegal Border Crossings *[PAP]* 57
'Intensive Preparations' for Reforms in GDR *[TRYBUNA LUDU 5 Oct]* 57
Poland-GDR Club Declaration on Anniversary *[TRYBUNA LUDU 7-8 Oct]* 58
GDR Seen as 'Essential' to Europe *[Drecki in TRYBUNA LUDU 7-8 Oct]* 59
Jaruzelski on Berlin Talks With Gorbachev *[RZECZPOSPOLITA 9 Oct]* 59
Warsaw TV Report 60
Rakowski Concludes Visit to Moscow, Departs *[PAP]* 60
Gerasimov Remarks on Warsaw Pact Attendance *[PAP]* 61
Debt Rescheduling Agreement Signed With FRG *[PAP]* 61
Siwicki Greetings to Polish UN Soldiers *[PAP]* 61
Mazowiecki Invites Arab Investments *[Warsaw Radio]* 61
Spokesperson's, Finance Minister's News Conference *[RZECZPOSPOLITA 7-8 Oct]* 61
Lech Walesa Holds 5 Oct News Conference *[TRYBUNA LUDU 6 Oct]* 71
Radio, TV Chief Visits Katowice Media Meeting *[Warsaw Radio]* 71
Addresses Broadcasters on Changes *[PAP]* 71
Appoints Broadcasting Commission *[Warsaw TV]* 72
Journalist Union on Personnel Changes *[PAP]* 72
Weekly Argues Need for Media Reform *[TYGODNIK SOLIDARNOSC 15 Sep]* 72

ROMANIA

Leaders Send Message to Honecker on Anniversary *[AGERPRES]* 77
Further on Ceausescu Activities in Berlin 77
Welcomed by Honecker *[Bucharest Radio]* 77
Meets PDRY Leader *[AGERPRES]* 78
Sees Zhivkov, Views 'Collaboration' *[AGERPRES]* 78
Meets With SRV Leader *[AGERPRES]* 78
Greets Hungarian Leaders *[SCINTEIA 7 Oct]* 79
Cables Honecker *[AGERPRES]* 79
Returns to Bucharest *[AGERPRES]* 79

YUGOSLAVIA

Pancevski Congratulates Hungary's Nyers on Election *[TANJUG]* 81
Drnovsek Condolences to Vietnam's Vo Chi Cong *[BORBA 7-8 Oct]* 81
Presidium Agrees to January LCY Congress *[TANJUG]* 81
LCY Committees Discuss Eurosocialism *[TANJUG]* 81
Press Views Danger of Terrorism Arising *[TANJUG]* 81
Slovene Alternative Political Movements Viewed *[BORBA 30 Sep-1 Oct]* 82
SAWP Attitude Toward Roundtable Questioned *[TANJUG]* 83
'Dilemmas' About Date of Drnovsek's Return *[BORBA 29 Sep]* 84
Serbian Official Criticizes Slovene Amendments *[TANJUG]* 84
Trifunovic Opposes Confederalism *[TANJUG]* 85
Kosovo LC Presidium To Consider Criticism *[TANJUG]* 85
Kosovo LC President on National Inviolability *[TANJUG]* 85
Kula, Vojvodina LC Officials Punished *[TANJUG]* 86
National Democratic Coalition To Be Set Up *[BORBA 22 Sep]* 86
Youths Detained After Shooting at Serbian Firm *[TANJUG]* 87
Army Recognizes Federal Constitution 'Only' *[TANJUG]* 87
FEC To Ensure Conformity With Constitution *[Zagreb Radio]* 88
Sarajevo TV Interviews Markovic on Inflation *[TANJUG]* 88
POLITIKA on Markovic Assembly Speech *[Logar, 1 Oct]* 90
Statement Issued on Markovic Talks With Unions *[TANJUG]* 91

Turkish Foreign Minister's UN Speech Criticized

AU1110133189 Sofia RABOTNICHESKO DELO in Bulgarian 10 Oct 89 p 5

[Stefan Solakov article: "Mistakes That Cost Dearly"]

[Text] In his speech at the UN General Assembly, Turkish Foreing Minister Mesut Yilmaz apparently demonstrated a change of course in Ankara's diplomacy vis-a-vis the Bulgarian citizens who wish to travel to Turkey. Mr Yilmaz pointed out that the Turkish Government "does not want to tear those people away from their homes in Bulgaria." According to him Ankara prefers that those people remain reliable Bulgarian citizens, who enjoy all human rights. At first glance unexpected realism transpires in the words of the first Turkish diplomat, despite the fact that the question immediately comes to mind of whether this is the same Mr Yilmaz who only a few months ago advised his boss, Turgut Ozal, to lure to Turkey as many Bulgarian Muslims as possible, in order to create political and economic difficulties in Bulgaria.

Premier Ozal, not exactly known for his deep knowledge in the sphere of international relations, believed his young and dynamic foreign minister, who explained to him how easy it would be to win this round of "political poker" with Sofia, because of the "weak cards" and "obvious bluff" of the Bulgarians. Yilmaz based his theory on the Bulgarian "play," as seen by him, and logically lost, dragging Ozal in his failure by influencing him to overshoot and invite thousands and even millions to emigrate to the "paradise gardens" of Turkey.

Those who were lured are returning en masse now, while Yilmaz, speaking from the UN rostrum, innocently tried to convince them that their native place is ... in Bulgaria!? And precisely when we started to wonder whether this really was the statement of the Turkish foreign minister, or merely a Bulgarian publication, the continuation came, according to which ... human rights must be guaranteed to the Muslims who remain in Bulgaria. This does not sound bad! However, did the two-way traffic across the Bulgarian-Turkish border not start precisely after the decision of the Bulgarian Government to guarantee its citizens the right of free travel? The Turkish side, on the other hand, quickly deprived them of this right by closing the border, thus leaving thousands of separated families on both sides of the border. Or perhaps Mr Yilmaz insist that we guarantee those who return from Turkey the right to hunger, sleep in tents or dugouts, and have a miserable life, in other words, the right to all this that they experienced during the few months they spent on Turkish territory.

There is another curious aspect in the speech of the Turkish foreign minister. According to him Bulgaria violates human rights hiding behind its national sovereignty. In simpler words, this means that we do not allow any interference in our internal affairs. Well, but this is precisely what Mr Yilmaz and Co. want. They also want to determine which Bulgarian problem is an internal one, and which—external! Apparently, Ankara still cannot get rid of the persistent memory of Bulgaria as the "Ottoman Empire's Danube Province." For the present Turkish leaders the concept of sovereignty, when related to their neighbors, is a 4-letter word, similar to communism, Kurds, and many others. However, it is a completely different matter when somebody in Europe tries to defend the thousands of political prisoners in Turkey, and when the world public demands an explanation about the mass genocide of the non-Turkish population in that country, the hunger, lawlessness, and feudal order. Then Ankara raises an indignant voice and protests against the interference in its internal affairs, while sovereignty suddenly becomes an exceptionally important word in the Turkish political vocabulary.

Turkey is known for its erudite and experienced diplomats. However, in recent years an ambitious group of relatively young diplomatic workers violated certain iron laws of this profession and rendered a disservice to the state leadership. Unfortunately, one of the mistakes affected relations with Bulgaria. There already are signs of certain sobering, as well as opinions about correcting the "Bulgarian" policy. Nevertheless, returning to the good years of good-neighborly relations will not be an easy process, because courage and professional ethics are necessary in order to admit the improvidence of a certain political course. Precisely this was lacking in the speech of Mr Mesut Yilmaz at the UN General Assembly.

40th Anniversary of GDR's Founding Observed

Lukanov Speaks at Meeting

AU0510202289 Sofia BTA in English 1953 GMT 5 Oct 89

[Text] Sofia, October 5 (BTA)—"The founding of the German Democratic Republic became possible thanks to the victory of the Soviet Union and of the other states in the anti-Hitler coalition over Nazi Germany," said Mr Andrey Lukanov, alternate member of the Politburo of the CC [Central Committee] of the BCP [Bulgarian Communist Party] and minister of foreign economic relations, in a report which he delivered at a meeting held today to mark the 40th anniversary of the GDR.

"The establishment of the GDR was a logical result of the democratic revolution which began right after the defeat of Nazism and grew into a socialist revolution. The resulting state was an embodiment of the struggles of the German working class for social justice and peace, it translated into reality the dreams of many generations of German thinkers, humanists and democrats," the speaker pointed out.

"At present the existence of two German states of different social systems is a historical reality which cannot be ignored by any sensible and responsible politician or public figure," Mr Lukanov went on to say. "Now it is pertinent to remind of this those forces which, disregarding the irreversible realities of modern Europe and the requirements of new political thinking, are trying

to destabilize the socialist German state and to breathe new life into their long-standing claims to speak on behalf of all Germans."

[Sofia Domestic Service in Bulgarian at 1830 GMT on 5 October carries a similar report on the Sofia meeting that marked the GDR 40th anniversary, and adds: "The meeting was attended by Milko Balev, member of the BCP Central Committee Politburo and Central Committee secretary."]

Atanasov Praises Friendship

AU1110152789 East Berlin NEUES DEUTSCHLAND in German 5 Oct 89 p 3

[ADN report: "Bulgarian Premier Affirms Firm Friendship With GDR"]

[Text] Sofia—Cordial talks in the spirit of fraternal affinity between the GDR and Bulgaria characterized a festive reception given by the GDR Embassy in Sofia on the GDR's 40th anniversary on Wednesday [4 October]. The following politicians accepted the invitation of Ambassador Egon Rommel: Georgi Atanasov, member of the Politburo of the Central Committee of the Bulgarian Communist Party [BCP] and chairman of the Council of Ministers of the People's Republic of Bulgaria; Petur Tanchev, first deputy chairman of the Bulgarian State Council and chairman of the Bulgarian National Agrarian Union; Politburo Members Milko Balev, secretary of the BCP Central Committee, and Army General Dobri Dzhurov, minister of national defense, as well as Politburo candidate members Georgi Yordanov, deputy chairman of the Council of Ministers, and Stoyan Ovcharov, minister of economy and planning.

Georgi Atanasov expressed the great appreciation for the close relations between the two states and peoples. He affirmed the firm friendship and unshakable solidarity of the BCP, the government, and the people of Bulgaria with the GDR. In view of the latest attacks by certain imperialist circles on the states of the socialist community and the slander campaign against the GDR, the unity and cohesion of the fraternal parties and of the fraternal countries are the most important command.

The reception was attended by further government members and leading representatives of Bulgarian social organizations and of diplomatic missions in the People's Republic of Bulgaria. The decade-long cooperation for mutual benefit and its further expansion were topics during the vivid exchange of views with directors generals of Bulgarian companies, working people from enterprises and institutions, scientists, and cultural workers, who have fruitful relations with partners in the GDR.

GDR's Successes Assessed

AU1110133989 Sofia RABOTNICHESKO DELO in Bulgarian 7 Oct 89 p 5

[Editorial Article: "Four Creative Decades"]

[Text] The establishment of the GDR on 7 October 1949 was the culmination of the antifascist-democratic restructuring carried out after the war on the territory of today's socialist German state. That day marked a turning point in German and European history. The administrative functions exercised until then by the Soviet military authorities, were transferred to the new government of workers and peasants. A democratic law-governed state was established, as well as a real worker-peasant government.

Europe's security and stability acquired a solid support in establishing the GDR. Despite the fact that for long years the West refused to recognize the new reality in the continent, the young state, a member of CEMA and the Warsaw Pact, was developing successfully. The attempts to destabilize and suffocate the young state were futile, precisely as the class intolerance of NATO states toward the construction of socialism in the motherland of Marx and Engels was. More than 2 decades had to elapse in order to reach the first international recognition of the GDR. This became possible thanks to the consistent and creative policy of the SED and the parties allied with it, which produced remarkable results in all spheres of life.

Today the GDR people are proud of their achievements in the sphere of social policy, implemented in total unity with economic policy. The fact that the goal posed at the beginning of the 1970's—to finally solve the housing issue as a social problem—is a brilliant confirmation of this. The achievements in the areas of education, culture, and science are great. The GDR's successes in sports are well-known.

The GDR enjoys high authority in international life. It maintains diplomatic relations with 134 states and actively contributes to the struggle for peace and disarmament. This is demonstrated by the measures related to unilaterally reducing the National People's Army and Berlin's initiatives to create a zone free of chemical and nuclear weapons along the border between NATO and the Warsaw Pact.

The GDR was not alone throughout the years of the difficult historical road from destruction to asserting the socialist consciousness. The socialist countries' solidarity was always a decisive factor in its successful development and international consolidation. Solid friendly relations based on the traditions of the workers' movement in both countries exist between the People's Republic of Bulgaria and the GDR and between the BCP and SED. The socialist German state is our country's second most important trading partner. Our relations are developing in a stable and dynamic manner on the basis of the Long-Range Program on Economic and Scientific-Technical Cooperation Until 2000. The participation of a Bulgarian delegation led by Comrade Todor Zhivkov in the celebrations marking the 40th anniversary of the GDR, is a new expression of our fraternal feelings.

On the GDR National Day we greet the GDR people and express our wish to elevate relations between our countries

to a new and higher level, and achieve new successes in the construction of socialism and the struggle for strengthening peace and security in Europe and the world.

GDR's Contribution to Security

AU1210093589 Sofia VECHERNI NOVINI in Bulgarian 10 Oct 89 p 1

[Nencho Khranov article: "Policy of Realism and Common Sense"]

[Text] The 40th anniversary of the GDR and the celebrations in Berlin were an opportunity to reassess the great problems of international policy and the development of the all-European process, in particular.

The fact that high-ranking delegations from all over the world participated in the celebrations together with the GDR people demonstrated the international prestige of the German socialist state. The presence of Mikhail Gorbachev, Todor Zhivkov, Wojciech Jaruzelski, Milos Jakes, Nicolae Ceausescu, Daniel Ortega, Yasir 'Arafat, and many other distinguished political leaders enhanced the political prestige of this event and evoked great interest far beyond the GDR borders.

The festive meeting at the Palace of the Republic, the speeches delivered by Erich Honecker and Mikhail Gorbachev elucidated the 40 fruitful years of building socialist society. The GDR today is a stable, peace-loving state situated in the center of Europe, and one of the 10 most developed industrial countries of the world with a flourishing culture and science. The GDR greatly contributes to European security and to the peaceful political dialogue between East and West.

Erich Honecker pointed out, in particular, that the GDR is proceeding along the path of socialism, by taking into consideration the peculiar results of its own experience and the existing realities, and by carefully analyzing, and applying the experience of the other socialist countries.

The GDR citizens cordially welcomed Mikhail Gorbachev, expressing interest and ardent support for restructuring in the Soviet Union. The Soviet leader pointed out in his speech that the USSR regards the GDR as its ally and friend, and is sincerely interested in the consolidation and development of cooperation between the two countries.

The passages of Mikhail Gorbachev's speech, in which he referred to and answered some crucial questions of European policy, evoked particular interest. He expressed optimism about the future of the European dialogue, the final separation from the era of "cold war," and about the opening of a truly peaceful period in European history. This is the goal of the Soviet Union, the GDR, and the other socialist states.

Some serious problems are emerging at the same time. Why are some forces in the West trying to blame the USSR and its allies for the division of Europe into two opposed military blocs? Why do we hear the old claims—about Germany's reunification within the borders of 1937, about tearing down the Berlin wall—and claims for Polish Silesia? Why do these forces see the future in the destabilization of the socialist countries? Some people are trying to forget that it was precisely the recognition of postwar realities which guaranteed peace in our continent. This recognition was expressed in the Helsinki Final Act and in the "Eastern treaties" which preceded it and normalized the FRG's relations with the socialist states. The further positive changes expected to promote the construction of the common European home are being implemented on this basis. This can only be accomplished through a policy of realism and common sense in respecting the existing realities, including the borders of sovereign states. Such is the path along which the great ideas of new political thinking can be implemented and a new Europe, free of weapons, and closely knit by the threads of cooperation, should be built. A sincere appeal for such a development of European relations was recently launched in Berlin.

CPCZ CC Opens 15th Session 11 Oct

Jakes Discusses Issues

LD1110174189 Prague CTK in English 1538 GMT 11 Oct 89

[Text] Prague Oct 11 (CTK)—"The implementation of economic and social restructuring, strengthening of the party's leading role and its natural authority depends on the consistent restructuring of party work. This is the most serious and urgent task of our policy", Czechoslovak Communist Party General Secretary Milos Jakes said delivering the party Central Committee Presidium's report at the 15th session of the Central Committee which opened here today.

Czechoslovak society and the communist party face the following main tasks in the nearest future: good preparation for the 18th party congress, successful fulfilment of this year's plan of social and economic development and responsible elaboration and fulfilment of economic plans for 1990, and in full harmony with it adoption of effective measures to reach economic balance, ensurance of consistent fulfilment of political, economic, cadre and legislative tasks associated with the preparation for and implementation of the new economic mechanism from January 1, 1990 both in the central and plant management, and the development of extensive political, organizing and ideological work explaining the communist policy, and of a dialogue with people aimed at gaining their support for the fulfilment of the set tasks.

Czechoslovak Communist Party General Secretary Milos Jakes further said that the policy of restructuring and democratization is now becoming much more a matter of the broadest strata of society, and added that the political situation has stabilized in the country and that the party policy is backed by the people. He pointed out that opposition groups supported by some political circles and mass media in the West have recently organized certain events with the aim to destabilize socialism in Czechoslovakia, weaken the leading role of the communist party and detract from its activities. Commenting on activities of these groups Jakes said inter alia: "A new phenomenon now is that they (the groups) are suported not only by the West but also by various opposition as well as legal groups from some socialist countries, mainly Poland and Hungary. Also the activity of various groups in the Soviet Union has a certain impact". The statement of the Polish Sejm, the Hungarian Socialist Workers' Party Executive Committee and the Hungarian Parliament on the Anniversary of August 21, 1968, which were resolutely rejected by Czechoslovakia, can also be regarded as support of the anti- socialist forces, the party general secretary stressed.

Commenting on Czechoslovakia's foreign policy Jakes said that development of all-round cooperation with the Soviet Union will be also in the future Czechoslovakia's primary task. "We voice full solidarity with the great endeavour of the Soviet Communist Party, its leadership, the Soviet people in the implementation of restructuring of Soviet society for the sake of strengthening socialism and elevating it to a qualitatively new level", Jakes stressed, adding that it is extraordinarily important for the further fate of socialism both in Czechoslovakia and throughout the world.

The report further resolutely condemned the unscrupulous campaign against the GDR launched by West Germany and some other states in connection with attempts of GDR citizens to illegally emigrate to West Germany, for which the West German Embassy in Czechoslovakia was abused. "The aim of this campaign is to belittle the results achieved by the GDR, cast doubt upon its existence and position in the community of the European states. Those are very dangerous tendencies, actually revanchist, which cast doubt upon the results of World War Two, the present territorial realities in Europe, and aim at its destabilization", the document stressed.

Great interest in the Czechoslovak Communist Party and the public, often connected with concern, is being aroused by the developments in Poland and Hungary. Controversial processes are taking place in the two states and the struggle which will decide about the political and socio-economic character of the further development of these friendly countries is intensifying. Commenting on the development in Poland the report said: "We believe that the new Polish Government will duly appreciate the importance of Czechoslovak-Polish relations and will not allow their disruption".

The split which has occured in the Hungarian party has once again confirmed the durable validity of the Leninist thesis on the vital significance of the unity of the leadership and the Central Committee for the party unity and action ability. Relations between Czechoslovakia and Hungary have been harmed by the one-sided suspension of work on the water power system Gabcikovo-Nagymaros by Hungary. "We are determined to insist on the observance of the treaty and request compensation for damage in case of its violation, in harmony with international law. The instigation of neoNazism and the efforts to disseminate it abroad are a great danger. Some circles in Hungary strive to misuse the question of nationalities also in relation to Czechoslovakia", it said.

As regards Czechoslovakia's relations towards socialist countries, Milos Jakes said that "we are sincerely interested in further developing and promoting all-round cooperation with them while respecting the ever valid principles of socialist internationalism. We sympathize with and grant full support to those steps which lead towards the strengthening and development of socialism," the party general secretary stressed.

He went on to say that "at the same time we are not indifferent to what directs towards destruction of the socialist system in the friendly countries. We carefully watch these things and draw lesson from them. Without

restructuring it would be impossible to further develop socialist society. In no case does this, however, mean that we would give up our positions to antisocialist forces, that we would allow any loss of the party's influence on the development of events. We will not let anything running counter the interests of our people, our party and the national front be forced upon us," Milos Jakes said.

"The fact that we lay stress on the responsibility of every party for the solution of problems in its own country does not mean that socialist states should weaken effort to coordinate their activity in solving a number of questions. On the contrary, it is necessary to deepen this coordination and see to it that problems in individual countries do not have a negative impact on the development of economic cooperation. Therefore we welcome the plan to hold a conference of the top party representatives of the Council for Mutual Economic Assistance member countries this year which should centre on economic cooperation," Milos Jakes said.

Knotek Report on Environment

LD1110232589 Prague CTK in English 1958 GMT 11 Oct 89

[Text] Prague Oct 11 (CTK)—At today's 15th session of the Czechoslovak Communist Party Central Committee, Presidium Member and Central Committee Secretary Ivan Knotek delivered a report on the party's policy in the creation of the environment.

Ivan Knotek stated that the Czechoslovak Communist Party regards the solution of ecological problems as a long-standing and comprehensive program, based on the interest of mankind in maintaining balance between the overall activity of society and individual components and aspects of the environment.

The Czechoslovak Communist Party representative stated that in tune with the conclusions of the party's 17th congress, some positive results have been achieved.

The share of nuclear energy and liquid and gaseous fuels, particularly natural gas from the Soviet Union, has grown in the fuel and power base. The introduction of gas continues and the number of sewage disposal plants is growing, the total contamination of the atmosphere by fly ash has decreased, the total area of de- forested places has decreased, the production ability of forests has been preserved and new forests are being intensively planted. The total area of protected areas has grown, representing 15 per cent of Czechoslovakia's territory at present, Ivan Knotek said.

"Despite these positive results, a decisive breakthrough in the improvement of our environment has not taken place yet. We have not yet succeeded in reducing the emissions of sulphur dioxide in the atmosphere. The implementation of the program of ecological construction lags behind the plan. More than 50 per cent of the planned work in this sphere remains to be done during the last two years of the eighth five-year period (1986-1990). This has been caused particularly by delays in designing projects and in supplies for these constructions. The general problems of capital construction and the irresponsible and in many cases almost ruthless attitudes of economic organisations to nature and the territory where they are active. [sentence as received] This situation has been also caused by the high material and power demands of the national economy as well as the present economic mechanism", Ivan Knotek said.

The party Presidium member stressed that above all structural changes in the national economy, reduced power and material input in production, the gradual change of the technological and technical basis into ecologically clean production and waste-free technologies and the development of ecological engineering and other up-to-date sectors must represent the main line of improving the environment in Czechoslovakia.

Czechoslovak Communist Party Presidium member and Central Committee Secretary Ivan Knotek stressed that the decisive task of the ninth five-year plan (1991-1995) is to halt the deterioration of the quality of the basic elements of the environment all over Czechoslovak territory and to create conditions for its gradual improvement. Attention must be paid to the most afflicted industrial agglomerations, in which great numbers of inhabitants are concentrated, and to selected ecological projects. During work on the basic program documents for further socio-economic development and on draft state plans it is necessary to set the main lins of care for the environment, following the extent of the development of production forces and the implementation of the results of science and technology in the national economy, Ivan Knotek said.

The federal bodies and those of the two republics must consistently form and ensure a united state policy in the sphere of the creation and protection of the environment, he said. It is necessary to speedily adopt measures for a united and fully qualified management, create a control system for the environment and a united system of information on the state of the environment, the Central Committee secretary said.

Ivan Knotek further stressed the importance of the active introduction of preventive measures aimed at improving the quality of waters, reducing the contamination of the atmosphere, protecting forests and agricultural land and improving the living, working and recreation conditions for Czechoslovak citizens. He added that ecological education must be extended, international obligations must be responsibly fulfilled and cooperation in the production of ecological technology must be developed.

Enviromental Issues Discussed

LD1210084189 Prague Domestic Service in Czech 1730 GMT 11 Oct 89

[Excerpts] The 15th Czechoslovak Communist Party [CPCZ] Central Committee session opened in the

Spanish Hall of Prague Castle today. A report of the presidium on the activity of the party after the 14th Central Committee session and about its further tasks before the 18th Party Congress was delivered by comrade Milos Jakes. [passage omitted]

A Party Central Committee Presidium report on party policy in the creation and protection of the environment was delivered by Comrade Ivan Knotek, member of the Presidium and secretary of the CPCZ Central Committee. [passage omitted] A discussion followed.

Comrade Miroslav Slavik said among other things that in the South Bohemian region, 25 waste water purifying plants were put in operation last year, and 35 are being constructed. Solutions for the protection of the environment in the East Slovak iron works in Kosice were dealt with by Vasil Pacuta. Comrade Marie Bobkova paid attention to ecological problems in the North Moravian region, and pointed to the low standard of social conscience in questions of creation and protection of the environment. Some experiences from the proceedings of the annual members' meetings in primary party organizations in the Banska Bystrica district were outlined by comrade Valeria Petrincova. Comrade Josef riman dealt with the share of the Czechoslovak and Slovak academies of sciences in the solution of important ecological issues.

The approach of the North Bohemian Party organization to the fulfillment of tasks in the precongress period were dealt with by Comrade Vaclav Sipek. Comrade Jaroslav Ondracek spoke in favor of strengthening the powers of national committees in the protection of the environment so that they can effectively act against enterprises which violate the adopted ecological measures.

Activity and results of the Committee for Party work in the Czech Socialist Republic were dealt with by comrade Karel Urbanek. Comrade Jaroslav Madl assessed the care which the Benesov District Party Committee pays to the protection and improvement of the environment. Comrade Stefan Kutik spoke about the ecological situation in the Ziar and Hronom district. Experiences in the protection of the environment in the Klatovy area were dealt with by Comrade Karel Mracek. Comrade Vaclav David devoted his contribution to the negative influence of transport on the environment.

The 15th CPCZ Central Committee session will continue tomorrow.

Session Continues

LD1210085289 Prague CTK in English 0806 GMT 12 Oct 89

[Text] Prague Oct 12 (CTK)—The 15th session of the Central Committee of the Czechoslovak Communist Party continues here today with a discussion on the reports of the presidium of the party Central Committee and its tasks before the 18th party congress and on party policy in the creation and protection of the environment.

Annulment of MSZMP Seen as 'Destruction'

AU1110144189 Bratislava PRAVDA in Slovak 10 Oct 89 pp 1, 7

[Vojtech Vesely and Stefan Nemeth report: "Rezso Nyers Has Been Elected President; The Fourth Day of the Hungarian Socialist Party Congress"]

[Text] For 2 days it was the Hungarian Socialist Workers Party [MSZMP] Congress and for the next 2 days it was the congress of a new party, a party without the letter M in its abbreviation, which in Hungarian means the attribute workers. They removed this letter on Sunday [8 October] from the facade of the Budapest Congress Center, where the conference is being held, and the delegates altered their identification cards. However, they are still not used to the new abbreviation and occasionally made a slip of the tongue in front of the television cameras.

After the massive destruction which took place on Saturday evening [7 October] in the form of the congress' decision to annul the MSZMP and, under the name of the Hungarian Socialist Party [HSP], to found a new party, some kind of awakening "from the greatness of the moment" came about both in the Patria Hall and in the press center, but most of all among the Hungarian public, an awakening which changed into the sober consideration of the real impact of this event.

Unanswered Questions

The question is asked whether the delegates had the mandate at all to dissolve the base from which they had all come; but this question can also be heard in another version—whether they had the right to found another party.

"Seven hundred and ten thousand members did not send their delegates to the congress in order to found a new party. On what basis did they do this? Is this democracy? Instead of a dictatorship of the proletariat is it better to have a reformed dictatorship?" These are the words of an unnamed citizen which the daily NEPSZABADSAG quoted on Monday in its column of telephoned messages for the delegates. In order that we do not appear to be one-sided, in the above-mentioned column there are also a few opinions that support the congress' decision. But, indeed, only a few.

There are, however, other more serious and, so far, unexplained questions. First and foremost, the concept of socialist in the new party's name as well as its declared attribute that this is a new kind of political party. Mostly, only what the party is distancing itself from could be heard from the congress tribune—it is giving up its leading role in society, Marxism-Leninism, the dictatorship of the proletariat, and democratic centralism but nothing was heard about its dissimilarity to classical social democracy of the European type. Imre Pozsgay spoke about the dividing line between the membership of the former MSZMP and the present HSP in the

ideological base, explicitly, according to its acknowledgement of the program and statutes, but we have not discerned here any substantially new element that would make the HSP a unique party in history.

The Loss of Hundreds of Thousands of Members Is Threatened

However, the main question concerns the position of the members who, due to Saturday's congress decision, have found themselves in a kind of vacuum since their intention of maintaining their membership in the "successor" HSP must be confirmed by their signature before 31 October. According to a survey, published on Monday [9 October] in NEPSZABADSAG, the party is threatened with the loss of hundreds of thousands of members. The most optimistic estimate that the HSP will gain 500,000 of the present 700,000 members was expressed by Matyas Szuros, the National Assembly chairman, but the historian, Maria Ormos, thinks that in a month's time the HSP will have only 30,000 members.

According to a representative of the reformists, Attila Agh, a strict ethical code will be established which will outline the comprehensive selection of current MSZMP members for reregistration; according to others, this is supposed to make it possible to submit information on people "suspected" of some kind of profiteering. This could instigate a wave of informing. The radical reformist, Imre Keseru, commenting on preventing undesirable members transferring from the MSZMP to the HSP, said that "the bloody murderers are already behind us but the party has still not got rid of the sewer rats." According to him, the building of a new party apparatus "from zero" must be begun immediately.

What are the other MSZMP members doing? This is still unknown. The reformists would be pleased if they were to found their own party in order that the HSP would not be "compromised" by their presence. This would mean the culmination of a schism in the party, a schism which, as was foreshadowed behind the scenes of the congress on Sunday, but especially on Monday, is literally hanging in the wind. Janos Berecz said in an interview for NEPSZABADSAG that the split is a matter that has already been decided but that in the future both parties should cooperate. Karoly Grosz again said, in this sense, that when he voted against the congress decision on Saturday he was rejecting only the renaming of the party, otherwise he agrees with the contents of the adopted document. When the congress elects the leadership, which will guarantee the implementation of a left-wing oriented program, he himself will join the new party. Otherwise, as he said, he will find another party. However, a more serious initiative for its establishment has still not come about....

The Focus of Discussion in the Lobbies

On Monday morning the delegates approved the Hungarian Socialist Party's Statutes. After a discussion, the age limit for entry into the party was set at 17 years. Any citizen of Hungarian or other nationality who recognizes the program and statutes can become a member of the party. The congress decided that the nationwide party daily will continue to be NEPSZABADSAG, that its theoretical journal will continue to be TARSADALMI SZEMLE, and that UJ FORUM will be the party's weekly newspaper. A national board of delegates (this will replace the current central committee) will soon make a decision on the HSP symbol. According to a preliminary suggestion, this should be a red carnation.

At the same time, the congress made note of the document Lesson From Our Historical Path and, by an overwhelming majority of votes, approved the party's policy statement. Imre Pozsgay, in a verbal interpretation of his proposal, which contains the comments and suggestions made by delegates, stressed that the policy statement is worthy of the European left and represents the continuation and enhancement of progressive traditions.

On Monday it was also obvious that the focus of congress discussion, especially on decisive issues, had taken place outside the hall in the lobbies. Proof of this was the view that the independent delegates did not know anything about the compilation of candidate lists for the party presidency and presidium, lists which had been prepared by individual platforms. Prior to the elections, reports on disunity and disagreements among representatives proposed for the leading posts had become widespread among the delegates. These were resolved at the afternoon closed session dedicated to the elections and cadre issues. The congress elected 66-year-old Rezso Nyers as president. The proceedings continued at the time of this newspaper going to press.

Impact of Events on Ethnic Hungarians Viewed

AU1110123989 Bratislava PRAVDA in Slovak 10 Oct 89 p 4

[Interview with Emil Terek, secretary for political and organizational work of the Communist Party of Slovakia District Committee in Rimavska Sobota, by Milos Niederland: "Unity Between Words and Deeds Is Crucial;" date and place of interview not specified]

[Excerpt] [passage omitted] [Niederland] About 47 percent of the people living and working in Rimavska Sobota district are ethnic Hungarians. How do communists respond to developments in the country of our southern neighbors?

[Terek] Findings from annual members meetings [of primary party organizations] held thus far clearly reflect the adherence to principles by communists and fellow citizens of Hungarian nationality. They constitute about one-third of the party's members base in our district. These comrades exert a correct influence on their fellow citizens and workers. They support our party's policy and contribute through honest work to the building and enhancement of the common socialist homeland. At annual members meetings they have also more than once condemned some provocative programs of Hungarian Television distorting historical facts about developments

in our republic. In short, we seek the consistent application of the Leninist principles of nationality policy and are being successful in that.

Dam Constructors Pledge To Honor Timetable

AU1110100889 Prague RUDE PRAVO in Czech 5 Oct 89 p 1

[CTK report: "An Aktiv In Gabcikovo"]

[Text] Gabcikovo—The builders of the Gabcikovo-Nagymaros water project on the Danube held a political-economic aktiv in Gabcikovo on Wednesday [4 October]. In their adopted statement they emphasized the significance of 1989 for fulfilling the conclusions of the 17th Communist Party of Czechoslovakia [CPCZ] Congress. The construction of the dam system on the Danube is one of its specific tasks. This year we are beginning our preparations for the 18th CPCZ Congress and we are ending our transition toward implementing the principles of the new economic mechanism, principles which should be a further motivation toward increasing working initiative and activity.

The participants appraised the results of fulfilling the conclusions of the CPCZ Central Committee and the Communist Party of Slovakia Central Committee Party and Economic Control Day, which took place on 29 February 1989, and they considered the prerequisites for fulfilling the crucial timetable: filling the Hrusov-Dunakiliti reservoir in November 1989, rerouting passage across the Gabcikovo section in April 1990, and bringing the first turbine at the Gabcikovo hydroelectric power station into trial operation on 2 July 1990.

After appraising the present state of construction, they announced that after increasing working activity, improving the organization of labor, guaranteeing construction materials, capacities, and foreign currency resources on time, and improving cooperation among participants, realistic prerequisites have been established for fulfilling the crucial tasks in the project's regime this year.

The builders realize the gravity of the situation in light of the Hungarian side's unilateral suspension of work on the Nagymaros section. Therefore, they consider it to be their working honor to expend the maximum effort in fulfilling the planned tasks in harmony with the approved deadlines. They undertake to ensure that the Czechoslovak side will guarantee fulfillment of the timetable for construction in accordance with the inter-state agreement with Hungary and, therefore, they are adopting further specific tasks linked to the measures embraced at the party and economic control day on February 1989.

Hungary's Nemeth Arrives for Talks 11 Oct

Welcomed by Adamec

LD1110184889 Prague Domestic Service in Czech 1600 GMT 11 Oct 89

[Text] Miklos Nemeth, chairman of the Council of Ministers of the Hungarian People's Republic, arrived today in Prague with his entourage for a short working visit on the invitation of Ladislav Adamec, Prime minister of the federal government.

He was welcomed at Ruzyne Airport in Prague by Comrade Ladislav Adamec, members of the federal government, and other officials.

Talks Held on Relations

LD1110215889 Bratislava Domestic Service in Slovak 2030 GMT 11 Oct 89

[Text] Federal Premier Ladislav Adamec held talks in Prague today with Hungarian Premier Miklos Nemeth. First, the two representatives talked in private for more than 1 hour. The delegations then participated in an exchange of views.

After the talks Ladislav Adamec and Miklos Nemeth met domestic and foreign journalists. Ladislav Adamec said that today's talks were characterized by both sides making an effort to make relations between the CSSR and Hungary good and to strengthen and broaden them.

On the subject of the problems connected with the Bavcikovo- Nagymaros water project construction, Ladislav Adamec said that our government believes that it is not necessazry to amend the 1977 treaty; on the contrary it must be fulfilled. The water project is a great investment and deserves maximum consideration, therefore Ladislav Adamec has accepted Miklos Nemeth's proposal for further consultations with scientific experts with a view to concluding the issue by the end of the month.

In reply to the question on the progress of a possible exchange rate between the CSSR koruna and the forint, Ladislav Adamec said that the deputy finance ministers have already met. They have not been able to reach an agreement. The deliberations will continue.

MTI Reports Talks

LD1110220389 Budapest MTI in English 1945 GMT 11 Oct 89

[Text] Prague, October 11 (MTI)—A Czechoslovak-Hungarian prime ministerial summit began in Prague late Wednesday afternoon. The meeting, agreed on by Ladislav Adamec and Miklos Nemeth during the course of their July talks in Budapest, is focussed on the future of the Gabcikovo-Nagymaros barrage system project.

The party of Miklos Nemeth includes Peter Medgyessy, deputy prime minister, Laszlo Udvari, Hungarian Government commissioner for the Gabcikovo-Nagymaros

construction, Miklos Varga, state secretay for environmental protection and water management, Istvan Oszi, deputy minister of foreign affairs, and Deputy Minister Peter Szonyi, head of the International Economic Cooperation Office of the Council of Ministers.

Mr Nemeth and Mr Adamec first held a one-hour tete-a-tete. Afterwards, Mr Nemeth said that he had briefed his Czechoslovak counterpart on the congress of the new party, and they had held an exchange of views on topical issues, such the Gabcikovo-Nagymaros project.

During the tete-a-tete, Laszlo Udvari said that the Hungarian side was seeking a modification of the interstate contract relating to the project. "We think the best solution from an ecological point of view would be to cancel the construction of both the Nagymaros and the Gabcikovo dams. But the taking of the interests of Czechoslovakia into account, has prompted the Hungarian side to propose halting the construction of only the Nagymaros dam, parallel to starting the operation of the Czechoslovak constructions already completed. However, ecological considerations justify operations of the Gabcikovo power plant in basic mode insead of peak-time." At the same time, the Hungarian Government emphasizes that the Czechoslovak side should provide a wide range of guarantees to counter ecological hazads, and wishes to draw up a contract to this effect.

Bos-Nagymaros Discussed

LD1210085389 Budapest Domestic Service in Hungarian 2100 GMT 11 Oct 89

[Text] Evelyn Forro has sent this dispatch from Prague about the Hungarian-Czechoslovak prime ministerial talks:

[Begin recording] [Forro] The standpoints have failed to move nearer to each other this time, too, in the Bos-Nagymaros affair, and by the end of October a new Hungarian-Czechoslovak meeting will be held with the participation of the prime ministers, at the highest party leadership level.

Miklos Nemeth presented a modification to the contract. He proposed the final abandonment of the Nagymaros construction and that the Bos part should not be operated to peak capacity because of the ecological state of emergency.

This is the essence of the prime ministerial negotiations in Prague.

First, Miklos Nemeth informed Ladislav Adamac at a private meeting about the Hungarian Socialist Party [HSP] congress, and then, at the following plenary session, about the forint-koruna rate of exchange—in addition to the dam affair—the gasoline coupon that irritates Hungarian motorists and is expected to end soon, and the problems concerning a plot of the Hungarian cultural center in Bratislava.

At the press conference after the negotiations, Miklos Nemeth said the following about the Bos-Nagymaros water barrage, which interested everybody most:

[Nemeth] the Hungarian people have set out the essence of their stance. The construction and completion of the works in their original form would take both sides into an ecological state of emergency. This risk cannot be accepted, either unilaterally or—and it is our conviction—bilaterally. Therefore, we have presented concrete proposals for finally abandoning the construction of the Nagymaros dam, for minimizing the danger to the ecological and water quality which would stem from its full-capacity operation, for working out the necessary system of guarantees for this, and in accordance with this, for modifying the 1977 agreement on the basis of our joint responsibility and mutual interest.

[Forro] The Czechoslovak prime minister made only a brief addition to this, the most important concept of which was that today's negotiation also took place in the spirit of the difficulty of opening a door once closed, and for this reason it ws a good thing to leave the door ajar just a bit. [end recording]

Solidarity Criticized for 'Depoliticization' Policy

AU1210085789 Prague RUDE PRAVO in Czech 7 Oct 89 p 7

[CTK report: "They Are Denying Their Own Promises; Polish Solidarity Is Building A Power Monopoly"]

[Text] Warsaw—On Friday [6 October] Adam Michnik, a leading Solidarity official, openly admitted for the first time in the GAZETA WYBORCZA newspaper, of which he is the editor in chief, that Solidarity is violating the agreements adopted at the roundtable. He emphasized that it is not enough for Solidarity to be a mere trade union movement, which it bound itself to being at the roundtable, but that it must also be a political movement.

The system of Solidarity citizens' committees, which should unite various political streams and orientations (Christian Democratic, Socialist, Agrarian, Monarchist, and so on) and prevent Solidarity's incipient break up, should fulfill this function.

Lech Walesa, the movement's president, is also in favor of a Solidarity as a political and not only as a trade union movement. "Then (at the roundtable) we wanted to stick to the adopted agreements but today matters have proceeded further," GAZETA WYBORCZA quotes Walesa.

It emanates from Michnik's conception of the citizens' committees that they should in essence, under Solidarity's diktat, play a unifying role such as the one previously filled in Poland by the Patriotic Movement for National Rebirth (PRON), with the Polish United Workers' Party [PZPR] at the forefront, and which is now being dissolved mainly due to Solidarity pressure. This also contradicts numerous Solidarity statements

that it is not involved in replacing one monopoly on power with another, that is, with its own.

This is not the only example of the increasing disparities between Solidarity's words and deeds. Although Tadeusz Mazowiecki, the new premier, emphasized in his policy statement that in cadre policy in state organs his government will be guided exclusively by the criteria of expertise and loyalty and will not organize any purges, these have already taken place, for example, in radio and television within the framework of their "depoliticization."

After making attacks on party organizations in factories, Izabela Cywinska, the new minister for culture and the arts, made it unequivocally clear, as TRYBUNA LUDU stated on Friday, that the employees' party organization in "her" ministry may only develop its activity outside the ministry. A screening commission, made up exclusively of Solidarity supporters (this also contradicts the coalition composition of the government), which evaluates the leading employees, has also begun to operate in the ministry.

Recently, great discussions have taken place about the "depoliticization" of the Polish Army and security forces and, especially, about abolishing the posts of political deputy commanders, posts which are held by PZPR members. Hidden under the slogan of depoliticization is Solidarity's attempt to eliminate the PZPR's political influence on the Armed Forces and to replace it with the opposition's influence and mainly with the Catholic Church's influence. The Catholic Church, which was never apolitical, has adopted a rather unfriendly attitude toward the socialist system in Poland and toward its ties of alliance with the USSR. This is also borne out by the report that the Catholic Church is already preparing more than 400 priests who, as field curates, are to fill the positions of the "political officers" in Polish regiments to date.

Johanes Meets GDR Diplomats, Stresses Cooperation

LD1010194189 East Berlin ADN International Service in German 1818 GMT 10 Oct 89

[Text] Prague (ADN)—The multifaceted cooperation between the GDR and the CSSR is developing more intensively now than ever before, stressed CSSR Foreign Minister Jaromir Johanes on Tuesday [10 October] in Prague. At a meeting with GDR diplomats on account fo the forthcoming 40th anniversary of the establishment of diplomatic relations between both states, he stated that it is regarded highly in his country that the people of the GDR are consistently continuing the path of socialist construction they started along. Johanes characterized the GDR as a significant factor for peace and security in Europe and in the world. In this connection he rejected the efforts to call into doubt the realities which arose as a result of World War II in Europe and to complicate the relations between both states. This is in contradiction of the Helsinki process.

Johanes described the initiatives of the CSSR and the GDR to create zones free of nuclear and chemical weapons as a joint contribution to the development of dialogue between East and West. He praised the GDR's support for the proposal set out by Milos Jakes to create a zone of trust, cooperation and good-neighbor relations on the dividing line between the Warsaw Pact and NATO. The talks conducted this year between Erich Honecker and Milos Jakes, and between Willi Stoph and Lidslav Adamec, have brought new impulses for close cooperation between both parties and states.

SED's Seibt Arrives for 5-Day Visit

AU1110205989 Bratislava PRAVDA in Slovak 10 Oct 89 p 2

[CTK report: "Exchange of Experiences"]

[Text] Prague—A study delegation of the Central Auditing Commission of the Socialist Unity Party of Germany [SED] led by Kurt Seibt, its chairman, arrived in Prague yesterday at the invitation of the Communist Party of Czechoslovakia [CPCZ] Central Committee. Jaroslav Hajn, chairman of the CPCZ Central Control and Auditing Commission, welcomed the GDR guests at the airport. During its 5-day working stay in the CSSR, the delegation will exchange experiences from the two fraternal parties' auditing and control activity in implementing the resolutions of the 17th CPCZ Congress and the 11th SED Congress.

Adamec Speech on Agricultral Reform 7 Oct

AU1110193389 Bratislava PRAVDA in Slovak 9 Oct 89 p 3

["Speech" by Ladislav Adamec, member of the Czechoslovak Communist Party Central Committee Presdium and CSSR premier, at the district conference of the united agricultural cooperative in Trnava on 7 October]

[Text] Comrades; I have welcomed with pleasure the opportunity to take part in the district conference of a JRD [united agricultural cooperative] in one of the most productive districts of the West Slovak region. The glorious history and the no less important present of Trnava and its environs are known far and wide. Your industrial and agricultural enterprises, your schools, health care and cultural facilities, and the honest everyday work of the population are contributing considerably to the growth of our country's wealth. I would like to sincerely thank you on behalf of the CPCZ [Czechoslovak Communist Party] Central Committee and the Federal Government for the achieved results.

Care for the population's nutrition, care for creating conditions for JRDs' efficient activities and farmers' creative work and contented life constitute one of the key sectors of our government's work.

We consider creating a modern Czech and Slovak countryside, beautiful and rich in natural beauty and historical monuments, a healthy home of professionally competent and culturally advanced people to be one of the most important tasks of building a socialist fatherland.

According to Merit

We assess the present day situation and all our plans in those broad social contexts. More than ever before in the past, we associate the prospects of the JRDs with the main directions of our countryside's tomorrow. This, in particular, applies to this year, when the agricultural-food complex became the first production branch to begin operating under the new economic condions. We must not conceal that voices have resounded, which consider the setting of more demanding tasks as denoting some sort of weakening of the importance of this branch. The contrary is true. **The party and state bodies realize the importance of a market well supplied with foodstuffs. When discussing the strengthening of economic instruments and expanding the opportunties for entrepreneurship, we had proceeded from a trust in the ability and responsibility of cooperative farmers to comprehend their purpose and successfully cope with higher demands.**

What has life revealed? The good course of this year's harvest and the fulfillment of tasks in other sectors have fulfilled our expectations. However, revealed also has been considerable differences in the yields of the individual crops, in the utility value of farm animals, in the costs and quality of production, as well as regards profitability. All this attests to the existence of considerable untapped potential as regards improving economic results in the future. **Once again the sober, realistic vision, corroborated by precise economic calculations, technical and cadre prerquisites, and trust in one's own strength, has paid off. This is the guarantee that things will continue going well.**

We are aware that 9 months do not represent enough time to comprehensively assess the importance of individual factors and to accurately separate substantial circumstances from coincidental circumstances. We are also taking into consideration this year's favorable weather, which will not necessarily repeat itself in the coming years. **However, the fact remains that the overwhelming majority of the agricultural enterprises have acquitted themselves with honor in this difficult test of the new economic rules. We are convinced that they will multiply the acquired experience in the form of increased efforts and even better results.**

The Affirmation of the Correctness of the Embarked Upon Road

Practice has confirmed what a great mistake it would be to underestimate the potential of the agricultural enterprises. The advantages of the cooperative movement, of the large-scale organization of work, and of technology cannot be regarded as exhausted, we must not think that we have reached the pinnacle of our possibilities in all respects. On the contrary, the achieved level is, above all, evidence of the correctness of the socialist principles, of the embarked upon path of the integration of industrial and agricultural production, of the convergence of living conditions in the cities and the countryside. Precisely in these fundamental directions we have achieved profound revolutionary changes in a historically short time. This also is tellingly demonstrated by the way in which the example of the Trnava District which—as regards the rate of scientific-technical development and the expansion of direct relations with foreign partners—sets the tone, and not only in Slovakia. One can say without exaggeration that the reality of the bold objectives of the founders and pioneers of sociaslist countryside has been affirmed. And this can be regarded with full justification as one of the greatest victories of the CPCZ policy.

In less than 3 months all branches will begin operating under the new economic conditions. The principles of the new economic mechanism will generally apply without exception in all branches. What will arise from this for the people working in the agricultural-food complex, in what respect will the conditions of the management work change? You know full well how difficult the first 3 months of this year were, how many obstacles had to be overcome, how many unclarities had to be dealth with. The one-year edge is useful, and it would be a pity to see it wasted. You have verified for yourself the changed management rules, the new system of wholesale and procurement prices in practice. You know how this is projected into the results of management, what is advantageous for you, and what is less advantageous, what to drop, on what to concentrate, and what to learn.

Last week the Presidium of the Federal Government, together with members of the Secretariat of the JRD Central Committee, assessed the progress of the preparations for the 11th Statewide JRD Congress. **In a frank exchange of views on problems confronting agricultural production and on the standard of services in the remaining branches, we agreed that we must very objectively, comprehensively, and without emotions and prejudices assess the functioning of the new economic instruments. It would serve no purpose and help no one if one would succumb to nervousness with the emergence of first difficulties, if one would begin retreating from the adopted principles without thoroughly weighing the situation.**

True, thus far the tougher conditions—and I think this is true only temporarily—have led to lower profits. Have we set our sights too high, or has the management of some JRDs not prepared itself well enough for the new situation? Counting on successfully coping with all aspects of such profound intervention in the management system in the course of a few months would be a pious wish. After all, we are not introducing the new economic mechanism for one year only, and we cannot expect that everything will assert itself immediately. Here, too, the concept that the time which elapses between sowing and harvesting is not always short is applicable. **A good manager never thinks only in the short-term, but also in terms of the distant future, he looks ahead. And precisely in this one has to see the essence and**

weightiness of the steps toward the economic managementof the agricultural-food complex, toward the application of market relations, the elimination of barriers which hamper initiative, entrepreneurship, and independent decision-making.

People Are Waiting For an Answer

Important changes are under way not only in agriculture, but in the entire social life. We frequently hear honest people saying that nothing of substance is happening at their work site, in their village, national committee, party or social organization, that one only works, holds meetings, and thinks in the old way. There is no reason to doubt the truthfulness of these critical remarks. What is one to answer?

At the joint session of the Federal Government and the Governments of the Czech and the Slovak Socialist Republics on Monday [2 October] it was said that a great deal of important information regarding the center's new laws and measures is reaching the primary components too slowly and in an incomplete form. **The causes of this do not lie with ministries alone, but also with enterprises themselves. It shows that—independently of who carries the greater blame—the communications between the central bodies and the primary components are still not of the necessary standard.**

How does it show? Misunderstandings arise as a result of an inadequate knowledge in enterprises of the restructuring laws. Apparatuses in the center do not always take into consideration the recommendations of work collectives. The intensification of keeping mutually informed is of particular importance today. It arises from the need to keep on coordinating the procedures of the center and enterprises, synchronizing the procedures of all management components. Artificially dividing bodies and people into those "above" and those "below," creating mistrust among those who are working in ministries in Prague or Bratislava and the working people in individual enterprises benefits neither society nor socialism. We must uncompromisingly combat bureaucratism wherever it emerges, we must not reconcile ourselves to slovenliness and irrespnsibility, mediocity and indolence in any sector. Genuine mutual demandingness and a healthy critical atmosphere, irreconcilability toward shortcomings, seeking and finding positive and constructive solutions are only born out of mutural trust between the center and the periphery. An atmosphere of unnecessary concern, insecurity, and hopelessness is only grist to the mill of those who are not interested in creative ferment, but in sweepingly depreciating everything.

Economy's Stabilizing Component

This year we are recalling the 40-year long road of socialist agriculture. It was not simple. It was fashioned by various influences—the ideas about socialism prevalent at that time, the complexity of the postwar international situation, the inexperience of cadres, and other things. However, the decisive thing is that **for a long time now the Czechoslovak agriculture has been one of the stabilizing components of our economy. Even with the rapidly growing needs, it is capable, in essence, of ensuring our self- sufficiency in food.** Many results [favorably] compare with those of leading European producing states, especially as regards the per capita per-hectare yields of some crops and meat production.

At the same time, the implementation of Lenin's cooperative plan brought immense social and cultural progress to our countryside. Its pace and comprehensiveness, which are shown in the life of every family, truly constitute the most telling evidence of the advantages of socialism. Which other country has managed in 40 years to newly build or modernize more than 90 percent of the housing stock in the countryside and has such a high level of skilled labor as we have? We are justified to look forward. We are not avoiding comparisons with the best results achieved abroad because we do not want to stick fast with what we have achieved. Sometimes I am asked whether frank criticism of all phenomena of falling behind does not constitute the underestimation of successes. It does not. We regard any disparagement of the fruits of honest work as untruthful and unfair. Genuine demandingness has nothing in common with this. We are proud of things which are praised by experts and visitors from around the world. However, without a stepped up endeavor for a faster advance we cannot hold our good position.

Czechoslovakia has achieved good results in the practical implementation of the advantages of socialist large-scale production. We have had fairly favorable results. I do not mean only in the developed industry and the fairly decent technical and professional standard of farmers. I also want to underscore the long traditions of the cooperative movement both in the Czech Lands and in Slovakia. It was 144 years ago that, not far from here, in Sobotiste, a self-help cooperative—the Gazdovsky Spolek [Farmers' Association]—was founded. The awarding of the Jurkovic Plaque in honor of its founder attests to the significance of that event. It is evidence that also **in the agricultural cooperative movement—the same as in the trades', housing, production, and consumers' cooperative movements—our country is one of the leading pioneers on the European continent.**

It is true that in the past various instances of incorrectness have affected the relationship toward the progressive traditions of our cooperative movement and their utilization for the benefit of socialism. The fact remains that in our country bureaucratic approaches and management methods have also slowed down and inflicted harm upon many things. But the experience and wisdom of cooperative farmers, expressed in the resolutions of the CPCZ Central Committee on the perfection of the management and organization of agriculture, have led in a fairly brief span of time to the reduction of administrative management and to a more extensive application of the money-market relations. That was not an easy process, and we are finalizing it in many respects only now, on the basis of the program of social restructuring.

For four decades now we have been talking about socialist agriculture. However, we do not always realize the content and the meaning of that term. There is no doubt that its basis is the cooperative ownership. But what does it mean? Are only large strips of fields involved, common property, the distribution of profits according to invested work, only the volume of wages? Life has shown that this is not everything. **It requires an organic symbiosis of high yields of plant production and the usefulness of animal production with rapid growth of labor productivity, intracooperative democracy providing strong motivation for quality work and the sense for national interests, fair remuneration with a systematic improvement of the living and working conditions of cooperative farmers. Nothing of this must be underestimated.**

One Must Not Build on Sand

What is the connection between the level of joint management of cooperative property and a practical application of the advantages of cooperative ownership? For a long time it seemed that the problem of ownership had been resolved both theoretically and practically once and for all, and that there was nothing more to discuss. However, problems with work-ethics standards, uneconomical handling of land and machinery, waste of fodder, considerable lossess during harvesting and storing, and even cases of stealing attest to something different. The discussion of that issue in the Soviet Union provides food for thought also in our country. Not to put in doubt what is beyond doubt, but for the benefit of an even more comprehensive assessment of the advantages of socialism. With phrases alone, or promises about happiness in the future, we will not convince anyone about the advantages of socialism; we will convince them only and solely with facts. **And when things go wrong, one has to look for causes and change what has shown itself to be no good.**

Return to private land ownership is definitely out of question. That belongs irrevocably to the past. What is involved is something quite different—the implementation of more varied forms of socialist ownership in the interest of society, of the collective, and individuals, in the interest of strengthening colective responsibility for achieved results, of a more effective protection and faster growth of common property, of creating conditions for an ever higher standard of intracooperative relations. **Involved is the implementation of forms of management and incentives which will make every JRD member feel fully responsible for the performance of his cooperative, the cooperative's collective, of all of its members—not only with words, but also with deeds, by means of his position in the enterprise and his earnings; not only in the form of personal participation in advantages, but also by sharing risks and losses.** After all, the majority of people want to make use of their talents and knowledge, they want to provide a certain amount of honest work and have the opportunity of good earnings. The duty of all managers is to create conditions for this. Man's contentment is in the great wealth of enterprises, villages, and society.

Where there is such an informal attitude toward the purpose of socialist care for entrusted resources, there also is honest work and initiative, innovation, the application of the latest findings, and orientation toward modern technology in one's own interest. People do not have to be appealed to all the time or forced by administrative instruments. **Love for the land of their birth has always been a part of the Czech and Slovak nations' profound patriotism. There is no reason for this not to be the same also today. We must keep on filling this permanently living tradition with a new, socialist content, give it a concrete form on the basis of the positive changes which are brought by restructuring.**

Today we speak with justification about the need that everyone feels like a real manager and behaves and thinks accordingly. We have eliminated the capitalist form of ownership as the source of exploitation. But we did not do this to abolish the individual's economic, psychological, and moral affinity for land. **Progress is not making workers [pracovnici] who are working on something that belongs to someone else, regard themselves as landless [bezzemci] or to behave as some else's employees. The replacement of social equality by harmful egalitarianism and arrogance must not be tolerated. On the contrary, nothing of material value should be something anonymous, no one's business, without a concrete manager, responsible co-owner, and conscientious user.**

It is no secret that such attitudes toward cooperative property still persist in some places. This causes great losses. These attitudes manifest themselves in a lack of interest in work, in apathy and indifference, in an attempt to do as little as possible and get as much as possible. Why is it that the majority of such people work on their private plot differently, with more interest and greater selflessness? **The main reason for this is that quite a few of our farmers' cooperatives have not been paying the necessary attention to making people more effectively and more permamently interested in self-control and results of their efforts.** We rightly regard land as the state's greatest wealth. In the past 40 years the agricultural land has shrunk by more than 10 percent, which costs us more than Kcs13 billion annually. Therefore, we must insist on a more rational utilization of available land, and demand stricter controls from all agricultural enterprises and national committees.

It Is No Less Socialist

The overall results of our socialist agriculture are evidence that the cooperative form of ownership is—as had been incorrectly asserted for a long time—no less socialist or economically less efficient than the state agriculture. **On the contrary, cooperatives have always been implementing to a greater extent the principles of economic accountability, self-financing, and self-accounting. Greater independence has made a higher degree of entrepreneurial activity possible for them than for industry. This Czechoslovak experience is evidence that the cooperative form of ownership, organization of work, and remuneration contains much that is useful and**

rational. We can apply much of this throughout our entire economy. Cooperative ownership—assuming there is broad demacracy within the cooperative—does not prevent but, on the contrary, helps to assimilate demanding technologies, make use of modern science and technology, and train highly qualified cadres. It is not at all a coincidence that our best cooperatives—as regards the dynamics of technological and organizational progress, advanced forms of remuneration, and the development of relations of cooperation at home and abroad—are ahead of some state industrial enterprises. They do honor to the name of our socialist fatherland far beyond our borders. All these and other facts unequivocally prove that the cooperative movement does not have its zenith behind it, but ahead of it.

By no means does the restructuring of our agriculture consist solely of the change in management rules. It concerns, without exception, the entire activity of the individual farmers' cooperatives, the entire life of villages. Permit me in this connection to answer some questions which have been cropping up in dicussions which precede the 11th Statewide JRD Congress.

We consider the criticism of the quality and prices of agricultural machinery to be a serious matter. It is true that our agricultural engineering has not kept pace with the world. When drafting the program of structural changes, we are assessing the possibility of diverting a part of the vacated capacities resulting from the changing production programs, particularly military programs, to the production of agricultural machinery. **It is necessary to appreciate the fact that agricultural enterprises themselves, in cooperation with leading West European companies, are beginning to manufacture modern machinery. The establishment of the Association of Agricultural Machinery Manufacturers in Trnava District is evidence of the urgency of those needs and of the leading JRDs' initiative approach.**

Recommendations have been made regarding the importing of pesticides and some types of fertilizers. We fully agree that belated imports—after the agrotechnical deadlines—must no longer be permitted. In this connection, I would like to openly say that in these cases, too, in the future we cannot rely only on purchases with state resources, but must make better use of the opportunity to earn foreign exchange, and thus also strengthen one's own share in ensuring those things. When drafting the 1990 plan it will not be easy to satisfy all the demands, all the more so since shortfalls in exports, especially of sugar, complicate our situation. Despite this year's abundant grain harvest, a certain quantity is lacking. We want to stop importing grain in the future. **This requires that we expand the grain-growing areas next year. We are preparing to introduce a more efficient system of handling the grain stock. I wish to stress that in this respect it would also be expedient to strengthen the self-sufficiency of agricultural organizations. We cannot continue to tolerate the prolongation of silo construction deadlines; the agricultural enterprise themselves must also do more for the storage of grain.**

What They Should and Should Not Do

There are many discussions about what JRD's should and should not produce, about what should be part of their production programs and what not. We will scarcely resolve this problem by means of administrative bans imposed by the center. We are in favor of wide-ranging entrepreneurial activity. Under one condition—**it must not be pursued at the expense of primary agricultural production itself. We do not support the export of those raw materials and commodities which we ourselves have to import for hard currency. The criticism of the activity of JRD's is at times conducted from positions of defense of the monopolistic status of individual state enterprises, and is motivated by fear of competition. We do not consider such criticism to be warranted. Quite the reverse: we are of the opinion that the monopolistic status [of producers] weakens healthy competition, leads to the diktat of producers over consumers, hampers technological progress, and is one of the causes of price increases, including the rightly criticized misuse of marketing markups.** Monopolism is one of the grievous braking mechanisms and we are determined to curtail its manifestations by economic, organizational, as well as legal means. One of those problems that recur year after year, and that seem to assume an almost chronic nature in some places, is disharmony between the growth of crop and animal farming and between the rapid pace of production growth [in agriculture] and the slow development of the food industry. The outcome of this is considerable losses, which the citizens rightly criticize. A solution in principle lies in structural changes, but there is also much room for improvement as regards the approaches of agricultural enterprises themselves.

Agriculture cannot be managed and developed in a departmental way, which is also confirmed by the tried-and-tested form of agricultural combines. It is not enough to secure primary production alone. **The population does not assess the standard of the agricultural complex on the basis of estimated field harvests, but according to whether they have enough high-quality food on the table. We must derive the planning of agricultural production from the needs of a rational, healthy diet, and not the other way around. Before this year is out, we will consider in the government the long-term concept of nutritional policy. We therefore consider it expedient that our agricultural enterprises should attend to the storage and processing of products to a greater extent and, on a reasonable scale, also to their sale.** There is wide scope for entrepreneurial activity here. As long as they expand the variety of foodstuffs on offer, there is no reason to reproach agricultural enterprises for wanting to make greater profit. Provided, of course, that they comply with basic norms and the price regulations.

I would like to express the confidence that our agriculture will also fulfill its role as the stabilizing factor in the present complicated situation. What does society require most of all from cooperative farmers? **It requires, first and foremost, that they secure our self-sufficiency in those food products where conditions exist for it; that they see to**

an improvement in the quality of agricultural produce; that they assert the principles of economic accountability across the board, in order to make the most of all soil and material inputs; that they fully implement democratic principles and people's interest in the prosperity of cooperative enterprise, scientific-technical progress, cost-cutting, and labor productivity growth; that they take an active part in enhancing and making more beautiful our villages and the countryside; and that they look after the unity of economic and ecological considerations with the aim of preserving all the things of value in the landscape.

I am confident that the farmers of Trnava district, together with other working people, will make an active contribution to good economic results and a favorable political atmosphere on entering the year 1990, in the period of preparations for the 18th CPCZ Congress.

I realize that the farmers' work is not easy. It cannot be honestly performed as an 8-hour job. It requires comprehensively prepared people who understand nature, are able to extract its gifts, and think of the next generations by attending to the fertility of the soil. I wish you much success in your efforts, health, and personal contentment.

Federal Assembly Chamber Discuss State Enterprise

LD1110105389 Prague Domestic Service in Czech 1730 GMT 10 Oct 89

[Excerpts] The Federal Assembly Chamber of the People met in Prague today for its third independent meeting. It was attended by comrades Milos Jakes and Ladislav Adamec. It discussed the implementation of the law on state enterprise. Vaclev Klement, our parliamentary correspondent, reports on the discussions.

[Klement] Vladimir Vedra, chairman of the Chamber of the People, said in the initial report that in state enterprises and other workplaces, 37 research projects took place with the participation of 180 deputies. The experiences and knowledge so aquired were thoroughly discussed in the committees of the chamber which agreed that, despite the short time in which the law has been in operation its stipulations have proved themselves in practice and, gradually, although with varying intensity, are being implemented.

Both the report and the discussion by the deputies indicated that a number of enterprises are demonstrating greater independence and responsibility, healthy entrepreneurial activity, and an attempt to create production programs which will bring them the necessary profit and will enable further development of the enterprise. Besides the positive trends there are also phenomena which worsen the situation on the internal market, Vladimir Vedra pointed out. [passage omitted]

In the report of the Federal Government, First Deputy Chairman Bohumil Urban said that what is important are changes in the behavior of the enterprise sphere so that it might be active and, at the same time, respect the current conditions and realities of our economy. The law on state enterprise gives a sufficient space for that.

The debate was addressed by 14 deputies who critically expressed their striving to contribute toward improving the role of state enterprises.

45th Anniversary of Carpathian-Dukla Operation

Vaclavik's Order of Day

AU0810212289 Prague RUDE PRAVO in Czech 5 Oct 89 p 2

[CTK report: "From the Minister of National Defense's Order of the Day"]

[Text] Prague—Army General Milan Vaclavik, CSSR minister of national defense, has issued an order of the day marking the 45th anniversary of the Carpathian-Dukla operation and Czechoslovak People's Army [CSLA] Day. Among other things, the order of the day says the following:

Today, in the creative atmosphere of the preparations for the 18th Communist Party of Czechoslovakia Congress, along with our motherland's working people, we are commemorating 6 October 1944, when soldiers from the 1st Czechoslovak Army Corps in the USSR, fighting alongside the Soviet Army in the Carpathian-Dukla operation, set foot on the soil of their mother country.

Even today, we draw inspiration from the previous generation's heroic struggle to safeguard the defense of our homeland. The present military and political situation in the world demands great political vigilance from members of the Army. Although trust is gradually being established in international relations, it is impossible to conceal the fact that the NATO countries have not fundamentally altered their military doctrine. The armed forces remain one of the principle instruments of the imperialist countries' policy. Their effort to further improve all kinds of weapons, including the development of weapons for a war in space, corresponds to this.

This course of action cannot guarantee stability and security in the world; on the contrary, it continues to remain a threat to socialism and the whole of mankind. The defensive objectives of the Warsaw Pact's military doctrine, as well as the socialist countries' endeavors for disarmament, point to a way out of this situation. Before this can be achieved it is necessary to do everything to ensure that the Czechoslovak People's Army is capable of defending our people's socialist achievements alongside the Warsaw Pact's fraternal armies.

I command that a 20-gun salute be fired on 5 October at 2000 in the CSSR's capital city, Prague, and in the Slovak Socialist Republic's capital city, Bratislava, in honor of the 45th anniversary of the Carpathian-Dukla operation and CSLA Day.

Vaclavik Views Armed Forces

AU1110170889 Prague RUDE PRAVO in Czech 6 Oct 89 p 3

[Article by Army General Milan Vaclavik, CSSR minister of national defense: "On the 45th Anniversary of the Carpathian-Dukla Operation; Our Army Supports the Helsinki Process"]

[Excerpts] [Passage omitted] From its inception, our Army has proudly identified itself by its inseparable unity with the people, their revolutionary traditions and the revolutionary goals which they are currently setting for themselves. It is responsibly implementing the tasks entrusted to it by the Communist Party and the CSSR Government. It is a firm power instrument of our socialist state and a stabilization factor of society.

This is evidenced by the results achieved in the implementation of the conclusions of the 17th CPCZ [Czechoslovak Communist Party] Congress. Checks in formations and units at the end of the training year, important exercises, and combat firing, the protection of airspace, as well as other decisive indicators reveal that the CSLA [Czechoslovak People's Army] is well trained. Commanders, political workers, and functionaries-specialists are comprehending more fully the demands on ensuring the combat and mobilization preparedness of staffs and troops. The efficiency and the quality of training is increasing, and so is the maintenance of weapons and combat technology; all resources provided by society to the Army are being used more economically. The number of exceptional events [udalosti] and disciplinary punishments meted out to soldiers for transgressions has decreased. The social and material security of members of the Army has improved. We consistently see to it that every officer and warrant officer has firm security in the course of his military service, prospects for promotion, and that he does not succumb to various views and moods that sometime come into being as the result of unobjective assessment of the mission and the needs of the Army. [passage omitted]

Members of the Army are actively supporting the policy of the Communist Party, the essence of which are restructuring and democratization of society. They affirmed this in their standpoints on the Proclamation of the CPCZ Central Committee Presidium on the 41st Anniversary of Victorious February. They expressed their determination to consistently defend the fundamental values of socialism. They condemned the activity of antisocialist forces and various illegal structures which are trying to misuse the honest efforts of the Communist Party and the majority of our people aimed at overcoming shortcomings and seeking new roads of socialist development to destabilize society and to return to the pre-February [1948] and pre-Munich conditions. Their attempts to elicit illusions among our citizens and, in particular, the youth that the defense of the socialist fatherland and the service in the CSLA are unnecessary, are at sharp variance with the legacy of those who fought and risked their lives for our national freedom, independence, and the state's unity.

However, we also are aware of the shortcomings which continue in a number of spheres. They are most frequently connected with routine, stereotype patterns, and a style of the management, organizational, and educational work which does not correspond to the new conditions. We do not reconcile ourselves to instances of harassment and disturbance of relations in military collectives. With some commanders the sum of their demands is not counterbalanced with the care for people. We are striving to eliminate shortcomings by asserting the method of united and friendly efforts on the part of commanders, political bodies, party and social organizations when resolving all issues connected with the life of troops.

The determining factor now consists of the tasks arising for the combat and mobilization prepredness of the Army out of the new, changing conditions in the international and military-political situation and from their influence on ensuring the country's defense-capability. [passage omitted]

However, we cannot ignore the fact that the processes aimed at eliminating the danger of military confrontation are still not irreversible, that the situation in the world remains complex. The NATO countries continue modernizing and perfecting all types of weapons and technology. They do not want to abandon the strategy of nuclear intimidation, which is identical with the policy from the position of strength, and there are even attempts to interfere in other countries' internal affairs and destabilize them. Strong groupings of NATO troops, which maintain their offensive character, are stationed in the vicinity of our western border, on the FRG territory.

In view of those facts, ensuring an adequate defense-capability of the state is one of the most important tasks. Our country—from the viewpoint of its international obligations—bears great responsibility for the defense of the socialist community on its western border. The CSLA is in the first defense line of the armed forces of the Warsaw Pact member states, a matter that determines its buildup and organization, and places great demands on the combat preparedness and readiness of troops. These realities and conditions are specific, they differ from the conditions in the other countries of our defense community, and directly influence our military and paramilitary policy and buildup, and the Army's training.

When determining the concept of the country's defense, our party and state bodies proceed fully from the principles of a military doctrine which has an unequivocally defensive character. [passage omitted]

The main organizational changes in the CSLA will be carried out in 1990. These will include, above all, the transfer of units and formations to depot bases and depots, and of 2 groups of units to training centers. The changes in the organizational structures of tank and motorized infantry units will markedly strengthen their defensive character.

At the same time, the State Defense Council's decision revised the budgeted expenditure for the CSLA in the 1989-90 period. The resources thus freed will be spent, above all, on social consumption, health services, education, ecology, and so forth. The revised budget also affects the deliveries of Czechoslovak-made and imported military technology. The deliveries of tank and aviation technology, ammunition, and other items have been reduced.

However, we cannot permit the organizational changes to lead to the Army's reduced combat capability. From the viewpoint of the realization of the defensive doctrine, these changes do not constitute the weakening of the state's defense-capability. They do, however, put increased demands on the qualitative aspect of combat preparedness and the Army's readiness, on it being supplied weapons and modern technology which must be comparable with the equipment of the NATO armies. Higher demands will be placed on the effectiveness of training and the education of Army members. The criterion of quality permeats all spheres of the Army and, in harmony with the policy of our Communist Party, it finds its expression in the restructuring and democratization of our Army's life.

The organizational changes bring considerable complications with them, and a number of—until now—unusual tasks will have to be resolved. A number of professional soldiers will have to be retrained for other jobs and relocated to new garrisons. Also, the content of the work of commanders, political workers, and specialized cadres, as well as of party and social organizations will change within the new structures. Therefore, it is necessary to view all these changes comprehensively, with their impact on the life of commanders, staffs, and troops in particular.

CSLA members also pay considerable attention to strengthening ties with the working people. They are taking part in the implementation of economic tasks in a number of enterprises and on important construction projects, and helping out in our agriculture in busy seasons. By 1 October 1989, a total of 14,103 soldiers and 1,484 pieces military machinery were deployed. They worked a total of 1,119,033 work days and the machinery was used 26,188 days. Their assistance in the construction of the Temelin and Mochovce nuclear power plants and in the reconstruction of Prague Castle is also significant. Since April 1989, an additional 3,500 soldiers have been deployed to help in the Prague mass transit system, in branches of the wood-processing industry in the Czech and the Slovak Socialist Republics, on ecological projects in order to strengthen the military construction sector, to help with housing construction, the construction of the Vinohrady and Strahov tunnels, and other projects.

The economic production organizations attached to the Federal Ministry of National Defense, out of which 30 state enterprises were created by 1 July 1989, are also undergoing radical changes. The necessary organizational preparations for their transition to the new economic mechanism beginning 1 January 1990 are under way now. The specific conditions of those enterprises arise from their orientation toward preferentially ensuring the CSLA's needs and the combat and mobilization preparedness of troops. The CSLA's repair facilities are adopting measures aimed at altering their production program, a part of which also will be the scrapping of the hardware of the abolished formations. Further capacities will be put at the disposal of the national economy. [passage omitted]

Jakes, Husak Receive Army Group

AU1110145189 Prague RUDE PRAVO in Czech 6 Oct 89 pp 1, 2

[CTK report: "The CSSR's Active Involvement in Peace Initiatives; Gustav Husak and Milos Jakes Received a Delegation of the Czechoslovak People's Army"]

[Text] Prague—CSSR President Gustav Husak and Milos Jakes, general secretary of the Communist Party of Czechoslovakia [CPCZ] Central Committee and chairman of the CSSR National Front Central Committee, received a delegation of the Czechoslovak People's Army [CSLA] led by Army General Milan Vaclavik, CSSR minister of national defense, at Prague Castle on Thursday [5 October]. The reception was held on the occasion of the Day of the CSLA and the 45th anniversary of the Carpathian-Dukla operation.

At the outset of the meeting, M. Vaclavik conveyed thanks to the highest party and state representatives for having received the delegation. The legacy of Dukla, Milan Vaclavik said, imposes the obligation upon us to implement the current revolutionary tasks of the Communist Party's policy. He provided information on the results achieved in combat and political preparedness in the past training year, in harmony with the principles of the defensive nature of our military doctrine. We regard as the main task the restructuring of the army and a further upgrading of its quality while making an economical use of the allocated resources. The modernization of the army and the perfection of its structure is an economically demanding process. We place emphasis on enforcing a greater efficiency in the training of troops with a scaled-down volume of budget funds. CSLA members participate to a great extent in assistance to the national economy and are actively involved in public political activity, Milan Vaclavik said. He stressed that the army's main mission is to guarantee the reliable defense of the socialist homeland, in firm alliance with the Soviet Union and the other Warsaw Pact states.

The CSSR Minister of National Defense thanked the leading party and state representatives for the care which they devote to the army and assured them that CSLA members firmly back the CPCZ's policy. By improving the quality of combat and political training they want to welcome in a dignified way the 18th CPCZ Congress.

The delegation was then addressed by Comrade Gustav Husak. In the name of Comrade M. Jakes, general secretary of the CPCZ Central Committee and chairman of the CSSR National Front Central Committee, the political and state leadership of our country, and in his own name he greeted all army members and congratulated them on their holiday—the Day of the CSLA. He said that we associate 6 October with the heavy fighting by Soviet and Czechoslovak soldiers in the Carpathian-Dukla operation and with their entry onto the territory of Czechoslovakia, which became an important turning point in the history of our national liberation movement. This is why we regard this day not only as the holiday of our army but of all Czechoslovak people. It also provides testimony to the assistance which the Soviet Union rendered our nations in their antifascist struggle and furnishes evidence of the sacrifices that had been made for the materialization of the working people's aspirations for national freedom, state independence, and social justice.

We constantly return to, protect, and develop the traditions of Dukla, Comrade Husak went on to say. They provide motivation for our socialist patriotism and internationalism. They give a boost to our efforts to implement the line of the 17th CPCZ Congress as worked out by the subsequent sessions of the Central Committee, the line of economic reform and deepening our society's democratization.

The CSLA responsibly lives up to the legacy of Dukla. In the course of 45 years it has become a modern army ready to defend the socialist homeland and the gains of the working people. This is also borne out by the results of the past training year. The responsibility, initiative, and activity of CSLA members show up in the fulfillment of the tasks of combat and political preparedness and in assistance to the national economy.

Positive changes have recently been taking place in international relations—lessening of tension, greater mutual confidence and understanding, development of political dialogue on various levels. First steps toward disarmament have been taken and possibilities of a political solution to regional conflicts are emerging. Czechoslovakia is actively involved in these peace activities. Together with our allies in the Warsaw Pact we have unilaterally reduced defense expenditures, the size of the army, and the number of arms and military technology.

However, the international situation continues to be complicated and contradictory, Comrade Husak stressed. We do not neglect this reality and devote constant attention to the issues concerning our state's sufficient defense capability. This also presupposes the existence of an army linked with the people and equipped with everything it needs to fulfill its mission.

CSLA members, just as our society at large, are getting ready for the 18th CPCZ Congress and are developing a broad-based activity in this connection, activity which we highly value, Comrade Husak went on to say. It is necessary to continuously exert political influence on young people coming to the army so that they understand everything going on in society and in international life, including the significance of our ties of alliance, and so that they associate these ties with the guarantee of our state independence and with the further development of our socialist homeland.

In conclusion Comrade Gustav Husak conveyed thanks to CSLA members for their work carried out over the past year, for their assistance to the national economy. He wished them much success in the fulfillment of their responsible tasks.

The meeting continued with a friendly chat between the party and state representatives and members of the CSLA delegation.

The reception was attended by Comrades Ladislav Adamec, Jan Fojtik, Karel Hoffmann, Alois Indra, Ignac Janak, Ivan Knotek, Jozef Lenart, Frantisek Pitra, Miroslav Stepan, Karel Urbanek, Josef Haman, Vladimir Herman, Pavel Hrivnak, Jaroslav Hajn, Frantisek Hanus, Miroslav Zajic, Vasil Mohorita, and Jindrich Polednik.

Pitra Speaks at Rally

LD0710130789 Prague Television Service in Czech 1000 GMT 7 Oct 89

[Speech by Frantisek Pitra, member of the Communist Party of Czechoslovakia, CPCZ, Central Committee Presidium and Czechoslovak deputy premier, at 7 October rally held in Svidnik commemorating 45th anniversary of Battle of Dukla—live]

[Text] Dear comrades; dear friends; dear foreign guests;

First of all allow me to greet you on behalf of the CPCZ Central Committee, the National Front Central Committee, on behalf of party, state, federal, and national organs, and to convey to you comradely greetings from Comrade Jakes, general secretary of our party, and comrade Gustav Husak, president of the republic. [applause] Further, allow me to congratulate on your behalf members of the Czechoslovak People's Army on their holiday—the day of the Czechoslovak People's Army. [Applause] Forty five years ago, gunshots under Dukla announced the birth of Czechoslovak freedom. In exceptionally difficult conditions, at the price of exhorbitant sacrifices, the soldiers of the Czechoslovak Army and the Czechoslovak units fought their way to help the Slovak national Uprising. There were tens of thousands of wounded; thousands of Soviet soldiers and members of the Czechoslovak units laid down their lives here. We bow deeply to their eternal memory. The Czechoslovak people will never forget the sacrifices made by the heroes of the Czechoslovak Army in liberating our homeland on the way from Dukla to Prague.

The Czechoslovak-Soviet friendship, having emerged from the joint struggle against fascism, will live for ever. [applause] We will not forget the struggle and sacrifices

which led to our present security, and the truth of history is not for us a dead letter in historical textbooks. It is a living fact, an active participant in our struggle for the future. That is why there exists a profoundly topical question for us: What is the message of the struggles at Dukla, the Slovak National Uprising, and the May Uprising of the Czech people? What is the pledge of the inheritance of revolutionary struggles and work of the past generations?

What can we do so that the national and revolutionary heritage of the past may be maintained and developed? The tradition of the national liberation struggle and building a new life is for us forever a tradition of socialism and progress, a tradition of patriotism and internationalism. It is a tradition of people's unity, the rule of the people, a tradition of freedom and social justice for the working man, a tradition of fraternal and equal relations between the Czechs and the Slovaks, and their harmonious coexistence in a unified Czechoslovak state. It is a tradition of the Czechoslovak-Soviet alliance and friendship. [applause] These ideas represent a lasting point of departure of the policy of the CPCZ and the National Front. They have become the concern of our people. We defended them in February 1948, we built on them in the years of building socialism. In the past 45 years we have covered a great, but also complicated and uneasy path. In difficult international conditions, we managed to overcome many obstacles and trials. Dedicated work, and the enthusiasm and patriotism of millions have produced their fruit. We have created a strong economic potential and we have eliminated poverty and starvation from the entire land.

We have balanced the differences created during history between individual parts of our state. We have raised the living standards of a wide strata of working people, and opened the way for them to education and culture. We have secured work and a wide-ranging system of social security for all. We are rightly proud of these results.

Nevertheless, we are not afraid to speak about mistakes, lost, and tragic errors. Not all has survived the test of time. We paid for having simplified ideas and some schemes which were not correct. Nevertheless, we drew and keep drawing consequences from all these shortcomings and errors.

The program of restructuring is the revolutionary answer to our revolutionary times, to the challenge of scientific and technological revolution, to sudden changes in the world, and to the new needs of our society. Restructuring is linked to the best traditions and experiences, but also draws lessons from mistakes and errors. Its aim is to eradicate those forms and methods which are outdated, to give a modern form to our concept of socialism, to our economy, and to our political system, and to start using people's initiative which up to now has been unused.

Gradually, we are beginning to turn these intentions into reality. From 1 January next year, the principles of a new economic mechanism will begin to operate. The maxim, we will live according to how we work, has to apply to every enterprise and every individual. We are creating conditions to enable a worker to be a real master in his enterprise and living place.

We are activating the role of the National Front, the role and responsibility of political parties and social organisations affiliated to it. We are adopting measures to improve the laws, strengthen the role of law, and our citizens' rights and liberties. We are widening a public flow of information as a precondition of the growing participation by the people in the management and administration sphere. We are strengthening the unity of the Czechs and Slovaks, as well as other nationalities in our state—the unity which we consider a big achievement of the people.

We fought together for liberty; we have built socialism together, and together we will consolidate the strength and unity of our common motherland, the Czechoslovak Socialist Republic. [applause]

New thinking and new initiatives are becoming the norm in all spheres. In this process, we are not giving up the positive results and experiences of the past.

We are fully justified to say that the thinking of restructuring expresses dreams and hopes of those who fought here 45 years ago for our freedom. It gives a new sense—I would say new historical dimensions—to the legacy of our national struggle for liberation. We do not hide in any way a complicated character to tasks arising from restructuring and the difficulties which we face. There will be a need to clarify and test, as well as change and correct, many things on the way. It is natural that during such a great turning point as represented by restructuring, differences in opinion, confusion, impatience, and fears appear somewhere. That is why we stress that restructuring is being implemented on the basis of socialism, in the interest of its development and strengthening. From this stand we will not step back not even by a single step.

Comrades, there is no reason to worry about the demanding nature of the tasks or the multitude of the changes that they bring. In our economic and social potential, the traditions of education, and the culture of our people, there are enough resources and strength to successfully cope with these requirements. We are very much aware, both at home and abroad, that there are forces which want to use the space which restructuring is representing for themselves. Yes, we are for a dialogue. A dialogue with all those who recognize our socialist system. However, we resolutely reject the attempts to belittle the results of socialist reconstruction, attempts to sow destabilization in society, intentions to dismantle the national Front, and to undermine the leading role of the Communist Party which initiates restructuring and which guarantees its progress and success. [applause]

Both our and foreign experience are quite clear: to come to terms with the huge economic and social transformation which come in fast sequence; to overcome the

unavoidable difficulties and contradictions; to be aware of uncontrolled development and inflation. That is possible only if we manage to maintain the balance between rights, duties, independence, and discipline. More and more of our fellow citizens realize this. It is in their vital interest for changes to proceed in an organized manner, so that there are no social disasters, so that restructuring might lead to a better life, that it may uplift our society onto a higher standard. That is why our people resolutely reject attempts to sow dissent in society.

Just as we do, all fraternal countries are seeking new paths of development. Naturally, each of them does so according to their conditions. There are both good and bad moves along the complicated and unresearched path. There are partial successes and defeats. It is with sentiments of fraternal solidarity that we follow the effort of the Soviet people, which under the leadership of the Communist Party is implementing the historical task of revoltuionary transformations and safeguarding the conditions of new dynamic development. Its experiences, both positive and negative, have a lasting value for us. We are in solidarity with the struggle of the progresive forces of fraternal Poland Hungary, and in favor of their coping with the complicated stage of their development. We sincerely wish that our mutual relations might develop in the spirit of friendship and alliance.

In the West today, there are a large number of self-appointed prophets for the decay and dissappearance of socialism. It is on their behalf we say that their attempts are futile. Socialism is an inseparable component of today's world. It is an exponent of the belonging of the working people for social justic and honor. Despite all today's difficulties, it will prove its ability to shake the obsolete dogmas, to carry out its renewal, to develop its potential, and to fulfil its historic mission.

Comrades, half a century has elapsed since the beginning of World War II. The storm of war drew hundreds of millions of people into misfortune, destroyed millions of human lives, devastated whole states, and destroyed enormous material and cultural values. For the peoples it has become a landmark, saying that these horrors must not be repeated. Since 1945 Europe has been spared the new fire of war. However, the fragile peace of our continent continued to be threatened by international tension, by the stockpiling of weapons, and by balancing on the edge of the abyss. The weapons of nuclear destruction have become a dramatic threat to the very existence of mankind. It is a well known fact that the Soviet Union pointed to a way out from the vicious circle. The new thinking has opened up the fresh path toward solving world problems. Not by the use of force, but by negotiations leading to a new concept of equal security for all, and to implementing the values embracing humane consideration in international relations.

Thanks to the enormous efforts of the Soviet leadership, to the peaceful efforts of the peoples, and to the growth of realistic trends in the positions of Western states, there occurs—naturally not without difficulties and various relapses—a marked improvement in international relations. Our country sincerely welcomes and supports this development. It actively contributes to the joint foreign policy moves of the Warsaw Pact states and actively develops them through its suggestions and steps. It is consistently implementing adopted obligations and responsibly contributes to the strengthening of trust and cooperation in Europe, and in the military sphere.

We fully support the Warsaw Pact defensive military doctrine and the concept of ensuring the military balance of both alliances at the lowest possible level. Naturally, as long as on one the hand there exist military forces and as long as there is, on the other hand, a trend aimed at their strengthening, we shall pay attention to maintaining our defensive capability at a corresponding level.

Czechoslovakia fully supports the idea of a European home. We are sincerely interested in removing the barriers which divide the European continent. Our intention is to substantially extend cooperation with the West European states, to renew the traditional relations, and to start new ones. However, we cannot fail to hear and to ignore various revanchist voices which put in doubt the state and social realities which originated from World War II. The trends to resurrect the stereotypes from the times of the Cold War and to speculate with the processes of restructuring in socialist countries are damaging the hopeful process and the renewal of trust and cooperation in Europe.

Esteemed Comrades! The bequest of the national liberation struggle, the bequest of the heroes of Dukla and of other fighters for the freedom of our peoples which we recall with esteem today, obliges us to exert all efforts to ensure prosperity, freedom, peaceful development of our homeland, a happy life for our people, and a good future for future generations. Let us work in such a way which would make us worthy of this bequest. May the memory of the heroes [applause] of the Soviet liberating army and the national liberation fighters be eternal. [applause] May the Czechoslovak-Soviet friendship, the alliance relations with the fraternal socialist countries, and the combat friendship of the armies of the Warsaw Pact continually develop and strengthen! [applause]

Long live the CPCZ, our National Front, the fraternal ties of the peoples and nationalities of our country! [applause]

Long live our homeland—the Czechoslovak Socialist Republic!

USSR's Kurkotkin Addresses Rally

LD0710163789 Prague Television Service in Czech 1000 GMT 7 Oct 89

[Speech by Marshal of the Soviet Union Semen Konstantinovich Kurkotkin, head of the USSR Army delegation at 7 October rally held in Svidnik Commemorating the 45th anniversary of the Battle of Dukla; Kurkotkin remarks in Russian fading into Czech translation—live]

[Excerpts] Esteemed Comrade Pitra, esteemed comrades: Allow me on behalf of the USSR Ministry of defense and of the Main Political Directorate of the Soviet Army and Navy delegation, to express most sincere thanks to the Czechoslovak Communist Party [CPCZ] Central Committee and to the CSSR Government for their invitation to take part in the celebrations marking the 45th anniversary of the Carpathian - Dukla operation and the 45th anniversary of the birth of the Czechoslovak People's Army. [passage omitted]

Our friendship has been strengthened by jointly shed blood in the struggle against the joint enemy. It has been forged by the fire of Leninist ideas and proletarian internationalism. The Soviet people honor the memory of the Czechs and the Slovaks who laid down their lives in the struggle against the nazi occupants on the territory of our country. This is where we see how deeply the fraternal Czechoslovak people honor the lucid memory of over 140,000 Soviet soldiers who laid down their lives for the liberation of your country from Nazi rule.

Friendship and cooperation between the CPSU and the CPCZ, between the USSR and the CSSR have stood the test in the most difficult trials and are now an example of truly equal relations on the basis of socialist internationalism. [passage indistinct]

Allow me, comrades, to wish you all the best, all the creative successes in the work for the well being of socialist Czechoslovakia. [applause] Long live Soviet-Czechoslovak cooperation: May the friendship between the peoples of our fraternal countries and soldiers of our armed forces strengthen: Long live our Marxist-Leninist parties, peace, and socialism.

Politburo Calls for 'Attractive Socialism'

LD1110195589 East Berlin ADN International Service in German 1830 GMT 11 Oct 89

["Statement by the SED Central Committee Politburo"—ADN headline]

[Text] (ADN)—The Socialist Unity Party of Germany [SED] Central Committee Politburo issued the following statement today:

Immediately after the 40th anniversary of the GDR we address ourselves to the working class, the cooperative farmers, the scientists, artists and all creative intellectuals, to the youth, to members of the protection and security bodies, and to all citizens of the GDR. The SED Central Committee Politburo thanks all those who have created socialism on German soil and who have prepared for the 40th anniversary of the GDR with good performances and deeds.

Our socialist GDR is the work of the entire people. It has grown through the work of its citizens, of the generations with experience of life and of the youth, and as a result of their having a say in actions and decisions, and having a share in responsibility. Together we have established this socialist republic and together we have defended its existence as workers' and peasants' power in hard tests. We are and will remain resolute fighters for peace.

We were able to celebrate the 40th anniversary of the founding of the GDR with good friends and comrades-in-arms. The presence of many guests from all over the world testifies to our country's respected place in the community of peoples. Our firm alliance with the party of Lenin and the peoples of the Soviet Union was reaffirmed, and this was expressed in the participation of M.S. Gorbachev, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet. President of the Polish Peoples Republic W. Jaruzelski, General Secretary of the CPCZ M. Jakes, and leading representatives of the other socialist countries proclaimed their solidarity with the socialist German peace state.

The political will of our party to construct a life for everybody in which their future is secure has become the conscious desire of millions of working people in cities and in the country in the 4 decades of the GDR. Our republic has developed in this partnership. This partnership is our strength.

Socialism needs everyone. It has room and prospects for all. It is the future of coming generations. For this very reason we are not left any different when people who worked and live here have broken with our German Democratic Republic. Many of them have abandoned the security of their socialist homeland as well as a secure future for themselves and their children. They have grown up in our country, gained their occupational qualifications here, and gained a good livelihood. They had their friends, colleagues, and neighbors. They had a homeland which needed them and which they themselves need. The reasons for their step may be multifarious. We must and will look for them among ourselves, each in his place, all of us together.

Many of those who turned their backs on our republic over the last few months were victims of a large-scale provocation. Once again it has been confirmed that the FRG's imperialism will never reconcile itself to a socialist state on German soil. It breaks treaties and disregards international law. Imperialist forces thought they found a suitable moment in the 40th anniversary of the founding of the GDR to spread doubt about socialism and its prospects in a hate-filled campaign by their mass media. They wanted to distract attention from the main issue of our times, securing peace. Interest in the joint struggle of the nation to solve global problems was to be weakened. They at least want to force their own incapability to reform and their need to reform into the background. Pan-German dreams, fed by old revanchist and neo-fascist springs, have no chance. Demagogy, poaching of people, and blackmail are not new methods. The history of relations between the two German states proves it. And the aim is also not new, changing the peacetime order in Europe by removing socialism on German soil. The FRG interferes in the GDR's internal affairs, and presumes a "duty to care" for GDR citizens in contravention of international law. By calling the postwar order into question the FRG is renouncing its common responsibility [with the GDR] to do everything so that never again will war emanate from German soil. In our times that is disruptive of peace to the highest degree.

We will not allow the power of the workers and peasants, the values, ideals, and achievements of socialism to be encroached upon in the future either. Our responsibility for a secure present and future for our people demand this of us. We owe this not least to the hundreds of thousands of German revolutionaries, the sincere German patriots, the millions of victims of German fascism and militarism. This is expected of us by our friends in the Warsaw Pact and the entire world.

The dictate of the hour is therefore that all those whose actions are determined by political reason and a humanist sense of responsibility toward the people of our country should clearly distance themselves from those who are striving to misuse the citizens for counterrevolutionary attacks. We ourselves will solve the problems of the further development of socialism in the GDR—in businesslike dialogue and trusting political cooperation.

The socialist workers' and peasants' state cannot be blackmailed by anyone. Those who deliberately seek and stir up confrontation have no regard for the interests of the people, harm social life, and pursue very selfish political aims. Those who irresponsibly disturb law and order must ask themselves on whose behalf they are

acting and for whom they are prepared to put at risk the safety of citizens, their families, and not least their children.

The Politburo knows that it is at one with the great majority of the people in its actions. There are millions of people who, with their hard work, with their initiatives and proposals, are, like our Marxist-Leninist party, acting for a socialism that grants equal rights and equal opportunities to all, but that naturally imposes equal duties, too. In the future, also, every attempt by the opponent to eliminate socialism in our homeland, the GDR, will fail due to the will of our people, the strength of our unified and integrated party, and the alliance of all the forces of our country.

The SED has summoned its 12th congress. As Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, said in his festive address on the 40th anniversary, all GDR citizens are urged to submit thoughts and proposals on how we can further advance socialism in our republic in the 1990's.

Together we want to consult on all fundamental questions of our society that have to be solved today and tomorrow. Together we want to find the answer to how we can surmount the difficult challenges of the coming century in the spirit of the humanistic ideals of socialism. Together we want to shape our Fatherland in such a way that the growing material and cultural needs of each individual can be better satisfied in accordance with his performance. It is a matter of further advancing the unity of economic and social policy. It is a matter of economic efficiency and its benefit for all, of democratic cooperation and committed collaboration, of a good supply of goods and payment according to results, of a media that is true to life, of travel possibilities, and of a healthy environment. It is a matter of our republic's contribution to safeguarding peace in the world. It is literally a matter of everything that serves the well-being of the people. Together we want to cross the threshold to the next millenium in a strong socialist GDR.

At the next session of the Central Committee we will submit our proposals for this strategic concept of continuity and renewal to our party and the entire people. They are based on the thousands of discussions held in the SED party organizations, and on the proposals and ideas that have reached us from the working people from all parts of the republic. All expressions of views and proposals for an attractive socialism in the GDR are important to this. We are open to discussion.

We have all the forms and forums of socialist democracy necessary for this. We appeal for them to be used even more comprehensively. However, we also state openly that we are against proposals and demonstrations with the underlying intention of misleading people and changing the constitutional foundation of our state. The German Democratic Republic is the male and female citizens who have established this state for their benefit in the democratic alliance and under the SED's leadership. The GDR, socialism and peace, and democracy and freedom belong together forever. Nothing and no one can change our mind about that.

Trusting cooperation is now more than ever needed to find joint answers to the questions that concern many and affect everyone—answers of use to all of us. They cannot be found in the capitalist past. Socialism on German soil is not open to discussion. The GDR people have opted for socialism for all time. Let us get down to work in this spirit and let us be guided by the experience that socialism can only be the work of everyone. Our work place remains our battle station for socialism and peace.

Hager Cited on Strategy for 'Necessary Changes'

LD1110214289 East Berlin Voice of GDR Domestic Service in German 1210 GMT 11 Oct 89

[Telephone report from Moscow by correspondent Lutz Leichtfuss—recorded]

[Text] All the world watched the GDR's 7th October celebrations marking its anniversary with extraordinary interest. According to today's edition of MOSKOVSKIYE NOVOSTI, that can be explained both by the republic's history and by current developments. First the newspaper emphasizes that the GDR stands as an emphatic anti-fascist state, as a Western outpost of socialism. Western attempts, particularly in the FRG, of thwarting the GDR's sovereignty as a state have not been removed so far.

However, all such attempts at disturbance did not prevent the socialist German state from developing into a country that is respected on an international basis and that has an efficient industry. On the other hand, it is also true, writes MOSKOVSKIYE NOVOSTI, that there are currently development problems inside the Republic like in any other state. For example, economy experts are concerned over the increasingly difficult conditions on the world market, thus rendering the financing of the state subsidies more and more complicated, e.g. for everyday goods and services.

All those problems are not only described, writes the Moscow newspaper, but everywhere people are looking for reasonable and comprehensive solutions. Taking into account all that, the GDR anniversary celebrations with high-ranking visitors from the other socialist countries took place. The newspaper discusses, in particular, Mikhail Gorbachev's political talks in Berlin. Otto Reinhold, the head of the Academy of Social Sciences, is quoted as saying: What was most important for us was that Gorbachev rebuffed all those in the West who want to make use of the processes going on in the socialist countries to finally reach a change of the status quo in Europe. Reinhold, in a talk with the Moscow newspaper correspondent, also referred to a specific fact for the GDR: If Poland or Hungary implement radical reforms, so the Polish or Hungarian state still remain independent

of the character of those changes. However, in the GDR overhasty changes in the political system might threaten the GDR state as such.

The MOSKOVSKIYE NOVOSTI correspondent goes on to talk about a meeting with Kurt Hager, Politburo member responsible for ideological issues, that took place immediately following Mikhail Gorbachev's meeting with the GDR party and state leadership collective last Saturday. Kurt Hager said during the talk with the Moscow newspaper that the task in the immediate future is to draft a specific strategy for implementing necessary changes. Kurt Hager continued that this above all presupposed a more active involvement of the citizens in the solution of socially important issues and the improvement of the information policy in the GDR.

In that context, the paper refers to a series of articles in GDR papers in the last few days. Again Kurt Hager is quoted pointing to different motives among those who have illegally left the GDR over the last few weeks. In Kurt Hager's opinion, in order to normalize the situation, first of all any obstacles should be removed which apparently prevent youngsters in particular from fully exercising their abilities.

Kurt Hager said in conclusion that what counts is to react to current needs and moods of the masses. MOSKOVSKIYE NOVOSTI's final thought was that those points of orientation were being drafted step by step on the basis of which the GDR will determine its path into the next decade.

Further on Hager Interview

LD1110173989 Hamburg DPA in German
1443 GMT 11 Oct 89

[Text] Berlin (DPA)—Radio GDR 1 reported today from Moscow on an article in the Soviet weekly MOSKOVSKIYE NOVOSTI, which published remarks by leading GDR politicians. In a telephone conversation, radio correspondent Lutz Leichtfuss also addressed the statement by Kurt Hager, Socialist Unity Party of Germany chief ideologist. The following is a recording monitored by RIAS radio:

"In the interview with the Moscow paper, Kurt Hager named the drafting of a specific strategy for the implementation of necessary changes, as a task of the immediate future. Hager added that this primarily presupposed a more active involvement of the people in the solution of socially important problems and the improvement of the information policy in the GDR.

"In this connection, the paper referred to a series of recent publications in GDR newspapers. It then again quoted Kurt Hager, who pointed to the existence of various motives among those who have illegally left the GDR in the past weeks. In his view, in order to normalize the situation, all the obstacles which apparently prevent young people in particular from fully exercising their abilities must be removed in the first instance.

"Kurt Hager said in conclusion that it is important to respond to the current needs and moods of the masses. Step by step, MOSKOVSKIYE NOVOSTI concluded, the points of reference according to which the GDR will determine its path to the next decade are being worked out."

More on Interview

LD1210144989 Hamburg DPA in German
1330 GMT 12 Oct 89

[Text] In an interview with the Soviet weekly MOSKOVSKIYE NOVOSTI, Kurt Hager, chief ideologist of the Socialist Unity Party of Germany [SED], spoke cautiously for changes in the GDR. The following is a DPA translation of the interview, which had already been conducted on Saturday, before the mass demonstrations in East Berlin and Leipzig, and which was broadcast in a concise form by GDR radio's first channel on Wednesday:

Question: "Which new factors in the development of socialism in the GDR have you noted?"

Hager: "Concerning the internal development of the GDR, we take as our starting point the principle, which is known to you, of the correlations between preservation and renewal. We have discussed what has been achieved, but now we must talk about what must be changed and renewed in preparation for the SED congress planned for next year. We also must talk about how we may put into action those impulses which life provides. We must respond to questions that play a role for our population, that open up a perspective for the future. The most important question now is the carrying out of preparations for the party congresses in this spirit."

Question: "One often can hear that changes should take place in the GDR following the anniversary. What form could these take? In which fundamental directions would possible changes go? Do they, for example, also affect the improvement of the GDR's information policy?"

Hager: "Anything can be improved. There are many such issues: The more active involvement of the population in the solution of social problems, the improvement of information policy, and other things. We must talk about all of these questions. We have set ourselves precisely this task in preparation for the party congress. What can be done concretely becomes clear only following the relevant inspection. First of all, one must develop a clear conception. The will for this exists, and I assume that we will succeed in implementing necessary renewals."

Question: "In your opinion, how will the events related to the wave of emigration to the FRG by GDR citizens develop, and how can one calm the tense situation connected with it?"

Hager: "This question has many levels. There are differing reasons for emigration. For example, some people are emigrating who have wanted to do this for some time

and who are not in agreement with socialism. Others have relatives in the FRG and are emigrating for this reason. A third group is travelling there because it entertains illusions concerning the conditions of capitalism. In this connection, we are faced with great education work. Of course, as a first step, all those obstacles must be eliminated which prevent, in particular, the youth from developing its capabilities. This problem, however, is too comprehensive for me to be able to illuminate all its aspects in a short answer."

'Comprehensive National Discussion' Supported

LD1210102489 East Berlin ADN International Service in German 0809 GMT 12 Oct 89

[Text] Berlin (ADN)—The Christian Democratic Union (CDU) of Germany and the entire society are faced with new tasks, Party Chairman Gerald Goetting writes today in "NEUE ZEIT" under the heading "Our Responsibility."

Many party members recently expressed their thoughts, their worries, and wishes. "It is a matter of taking these proposals, criticisms, and suggestions seriously everywhere. At any rate, the Main Exective is taking them seriously, and regards them as a brief to expand the party's work—and that always means its contribution to the whole, its influence on overall social development."

Gerald Goetting underlines that "it is now required to include society concerns when proceeding, and it is more than ever a matter of our proven basic principle, putting cooperation above divisiveness—particularly in the search for new solutions. It is necessary to speak with everyone who bases himself on our socialist social and legal order. Dialogue, comprehensive national discussion, must be conducted with attentiveness, patience, and good arguments."

There are thus many questions that need fundamental discussion and considered decisions, "so that our people arrive at internal peace, and our country is once again regarded by all its citizens as their homeland and their task. The observation that socialism is a result of continuous far-reaching changes and reforms must always be repeatedly proven by actions."

In closing, Goetting writes: "In this respect we, today, as in the future, start from the premise that we have together built the GDR, we will together discuss its current problems, support our democratic decisions, and solve outstanding tasks. The Christian Democrats are thus called upon to make a new departure."

DPA Reports Situation With SED, Opposition

Dresden Mayor Talks With Opposition

LD1210093989 Hamburg DPA in German 0801 GMT 12 Oct 89

[Text] Berlin (DPA)—The talks between GDR citizens who are seeking reforms and the Socialist Unity Party of Germany [SED] representatives are due to continue in Dresden. In an interview printed on Thursday in "JUNGE WELT", the FDJ [Free German Youth] central organ, Dresden Chief Mayor Wolfgang Berghofer said that we will continue to talk with one another. Discussion has eased the situation. He stressed: "I have said that I am not prepared to accept any demands from the New Forum."

What is needed is courage for the talks, constructiveness, and, above all, objectivity. "I have also said that there are no taboos regarding the discussion." Socialism is not, however, to be doubted, Berghofer is quoted in the central organ of the FDJ. The shaping of socialism, which also involves solving problems, "requires that people treat each other in a suitable and cultivated manner and that they understand each other as equal partners."

Berghofer rejected assertions that he supports a new electoral law. "We do not need a new electoral law. We need more people who care, together with the citizens, about implementing correct decisions in the territory, in the residential area, in the factory," he says.

He sees the solution of the problems arising in Dresden, for example, in a constructive dialogue. Nothing will be solved by throwing cobblestones and attacking state power. Taking part in the meeting after the demonstrations on Monday, alongside church representatives, were young people from different social strata and worldviews, as well as members of block parties.

Activity in SED Surmised

LD1110201289 Hamburg DPA in German 1905 GMT 11 Oct 89

[Text] Berlin (DPA)—Gottfried Forck, bishop of East Berlin, and Superintendent General Guenter Krusche have spoken with Mayor Erhard Krack and his deputy. According to Consistory President Manfred Stolpe in an interview with RIAS television this evening, "issues which moved both sides" were discussed. The main point was the question of how life in East Berlin can be fashioned now and in the future to make people feel good.

Stolpe said in response to the question as to whether state bodies have given an assurance to renounce the use of force in future: "First of all it is important for us to appraise what has happened over the past few days. People have said they were attacked, others are concerned about what will happen to those in custody. We were given unambiguous promises that all these questions can be looked into and that quick solutions are in sight," Stolpe said. There was agreement "that measures like those of the past few days are in no way useful, help no one and must certainly be avoided."

Stolpe gave a positive assessment of the debate within the GDR's bloc parties. "This is a process of some significance. However, great attention should also be

directed to what is going on within the Socialist Unity Party of Germany [SED]. More is happening there than is outwardly visible at first sight. Nothing moves here without the SED, but I have hopes that much can be moved with it."

CC Members Called to Session

LD1110140189 Hamburg DPA in German 1347 GMT 11 Oct 89

[Text] East Berlin (DPA)—Numerous Central Committee members were summoned to attend the latest meeting of the Socialist Unity Party of Germany [SED] Politburo in East Berlin on Tuesday to discuss the country's acute problems. This was learned in East Berlin on Wednesday from diplomatic and other sources. Such a composition is very rare and is usual only when there are urgent topics, the reports say.

All current issues relating to the demonstrations and protests on the GDR anniversary and last Monday were discussed at the meeting. Egon Krenz, the SED Politburo member responsible for security issues, decided that security forces should exercise restraint if demonstrators protested nonviolently.

CC Considers Media Policy

LD1110164189 Hamburg DPA in German 1440 GMT 11 Oct 89

[Text] East Berlin, (DPA)—There is apparently also a comprehensive discussion in the party's highest echelons on improving information policy. In view of the current problems in the country, a number of Socialist Unity Party of Germany [SED] groups have also spoken out in favor of an early extraordinary Central Committee session. About 20 important cultural functionaries also discussed this request with the Central Committee during the weekend.

A party group resolution by the GDR head office for the entertaining arts criticizes state-decreed media policy. There must be a discussion on the "discrepancy between self-portrayal of our society and subjective experiences."

The 60-year-old Politburo member Joachim Herrman, who has been Central Committee secretary for agitation and propaganda since 1978, is responsible for media policy. Informed circles say that his media policy is no longer uncontroversial in the highest party ranks. Hermann Kant, himself a Central Committee member, explained the demand for freer and improved press reporting in a lengthy letter to the editor-in-chief of the Free German Youth paper JUNGE WELT.

Monday's resolution by the SED party group of the head office, which met for an extraordinary party session, also tackled the "loss of a section of our youth to the capitalist world."

It has also been reported that some comrades at the meeting expressed great concern about the fact that in the police operations on the GDR's 40th anniversary in East Berlin, uninvolved artists and young people were taken away by the police.

Leadership Under More Pressure

LD1110183589 Hamburg DPA in German 1740 GMT 11 Oct 89

[Text] East Berlin (DPA)—At Socialist Unity Party of Germany party gatherings increasing demands are being made for Honecker and the party leadership to report on the situation in the country and the solution to the problems. This demand may also have been made at the leadership session in East Berlin.

According to reports from enterprises, the wave of emigres and refugees has left many workplaces unfilled. Employees are increasingly unwilling and also unable to compensate for these gaps by additional effort. The poor atmosphere in the enterprises was also discussed very openly at the politburo session.

FDJ Offers Talks With Opposition

LD1110150989 Hamburg DPA in German 1329 GMT 11 Oct 89

[Text] Berlin (DPA)—Under the chairmanship of Bishop Gottfried Forck, the leadership of the GDR church has begun talks with the Socialist Unity Party of Germany leadership. This was reported on Wednesday by the Berlin station RIAS [Rundfunk im Amerikanischen Sektor/Radio in the American Sector] Television.

The main focus of the talks will be the release of the people detained in the course of demonstrations at the weekend.

The station went on to report that the Free German Youth [FDJ] Area Executive in East Berlin made an offer of talks to the opposition groups in the city on Tuesday night. Probably next weekend there are to be "open talks, without censorship or detriment about all outstanding issues, thus also about freedom to demonstrate, free expression of opinion, and free elections," the station reported.

'Massive Action' Against Protesters

LD1110140789 Hamburg DPA in German 1328 GMT 11 Oct 89

[Text] East Berlin/Halle (DPA)—In contrast to their behavior in other cities, the police took massive action on Monday evening in the bezirk town of Halle against a gathering of around 3,000 people. Quite a few people are said to have been injured. According to reports in East Berlin today, prayers were held in the market church, attended by around 1,500 people. A further 2,000 or so stood in silence outside the church. When people emerged from the church, the police lines apparently moved forward and beat many people with nightsticks. According to one preacher, the security forces knocked several people down and then brutally kicked them.

There was no provocation from the silent people. Community members were horrified at the police behavior and told their pastors: "We have never before experienced anything so brutal." It was not clear how many people were detained and how many injured. The church is making serious efforts to hold talks with the mayor of Halle. There is at present a daily vigil in St George's church. People wishing to enter this church are being strictly checked by security forces who are standing by.

West Berlin Group Idea Rejected

LD1110225489 Hamburg DPA in German 2159 GMT 11 Oct 89

[Excerpt] Berlin (DPA)—Former GDR citizens close to the "New Forum" in the GDR have rejected the founding of a "New Forum West" in West Berlin. The main argument given for not founding it is that the movement in the GDR should not have demands made on it from the West.

The intention of founding such an organization in West Berlin met with strong criticism from the co-founders of the "New Forum" in the GDR, it was said this evening at a meeting of 60-80 interested parties. [passage omitted]

'New Forum' Members Arrested

LD1110164989 Hamburg DPA in German 1548 GMT 11 Oct 89

[Text] East Berlin (DPA)—Fifteen supporters of the "New Forum" opposition group were detained on Monday [9 October]. According to church circles, material belonging to the "New Forum" was confiscated. It has been reported that the police approached the 15 people near the home of painter and "Forum" co-founder, Baerbel Bohley, and arrested them. They were subsequently released.

'New Forum' Criticizes Statement

LD1210100489 Hamburg DPA in German 0925 GMT 12 Oct 89

[Text] Berlin (DPA)—The East Berlin painter and co-founder of the opposition initiative "New Forum," Baerbel Bohley, has criticized the statement of the Socialist Unity of Germany [SED] Politburo. In an interview with the RIAS station, Frau Bohley spoke of a purely verbal concession which does not reach over into real life. The statement sets out a position contrary to the truth. "Today confrontation arises when truth is expressed. Whoever wishes to avoid this confrontation, is simply an opponent of the truth."

Frau Bohley underlined that no one desires violent clashes. But there should also be confrontation within dialogue and whoever wishes to avoid this does not support real dialogue. She wishes that all future demonstrations in the GDR will be able to take place in the same way as the large demonstration on Monday in Leipzig. That applies also to the restraint of the police.

Professor Says 'Good Old Things' Must Change

AU1210104689 Hamburg BILD in German 12 Oct 89 p 5

[Interview with Professor Manfred von Ardenne, GDR People's Chamber Deputy and director of the Manfred-von-Ardenne Research Institute in Dresden by Peter Bartels and Hans-Hermann Tiedje in Hamburg on 11 October: "Professor Von Ardenne on Gorbachev, BILD, the GDR, and His Oxygen Therapy"]

[Excerpt] [Passage omitted] BILD: During Gorbachev's visit your State Council Chairman Erich Honecker called us a "yellow journal," which he does not "permit to tell him what policy to pursue."

Ardenne: I was there during Gorbachev's visit, I sat near him.

BILD: Are you one of Gorbachev's followers?

Ardenne: Absolutely! I admire him.

BILD: Gorbachev demands "truth" and "honesty" in politics....

Ardenne: This is precisely what I demanded in my essay which was recently published by WELTBUEHNE. This demand fully corresponds to my demands, which were recently expressed by Deputy State Council Chairman Gerlach. A large number of people at the middle and higher echelons, in particular in the economy of the GDR, consider changes in the GDR necessary. The good old things have to change in order to remain the good old things. Since 1963 I have made various, very specific proposals for increasing the citizens' motivation, work ethic, and willingness to produce high achievements, which were received in a friendly manner, but the time was not yet ripe.

BILD: You speak of the need for truth from above to below and from below to above. What do you mean by that?

Ardenne: My institute is cooperating with 60 industrial partners. Therefore, we have a particularly good insight into the processes of our industry. When three workers are actually freed for other work through rationalization, this number doubles at each subsequent level of the enterprise. When the news reaches the top, the number has grown to 48. This distorted information creates an image that leads to faulty management of the economy. This is only one example of many. For this reason, in a document in 1968 I proposed setting up information feedback from the base to the top.

BILD: The best people of the GDR, the young people, are turning their backs and leaving for the West. What do you say to this?

Ardenne: I am extremely saddened by these events. In our oxygen-multistep therapy we have started to treat less the disease than the true causes of the disease. This is precisely what should be done in relation to the current tragic events. One has to analyze the reasons for the departure of the young people and to eliminate these reasons. This is the great task of the present. We must make a great effort to adapt the ideology wisely. Circumstances have changed a great deal since Lenin's time, since 1917.

Reinhold Says Reform Must Serve Socialism

LD1210102189 East Berlin ADN International Service in German 0805 GMT 12 Oct 89

[Text] Berlin (ADN)—In all questions of further social development, the GDR is concerned with socialist solutions. "It is not reform for reform's sake which is needed, but rather changes that serve the further development of socialism." This was underlined by the GDR social scientist Professor Otto Reinhold in an article for the latest edition of the BERLINER ZEITUNG.

It is always a matter of responding anew to current questions, such as how the goals, ideals, and values of socialism—ranging from social security to the participation of the citizens in all important decisions in the economy and society—are to be achieved concretely and implemented in a given historical period. "It is in the nature of socialism that it is indivisibly linked with reform processes in all areas of social life. Nothing would be more harmful than signs of stagnation in one area or another," writes the rector of the Academy for Social Sciences at the Socialist Unity Party of Germany Central Committee.

Reinhold points out that there is not and cannot be a universally applicable model of socialism. He names the universally valid inherent laws of a socialist society—the power of the working class in alliance with the other working people, the leading role of the Marxist-Leninist party, social ownership of the decisive means of production, social management and planning, and the dominance of the socialist ideology—"without which there cannot, in the long run, be a successful development of socialism."

In light of the ever greater variety of paths and forms in the socialist countries, Reinhold points to discussions concerning the leading role of the party. "I think that the question of putting this universally applicable law into practice exists in areas where there are currently difficulties. The party's leading role does not, after all, follow from an administrative stipulation, but must be fought for every day. For this reason, clear positions are needed on the part of the party regarding how socialist society is to be further shaped. Effort also is needed to win the majority of the working people over to these goals. In the GDR, we start from the premise that socialism does not exist without these universally applicable basic principles."

In his remarks on the specifics of the GDR's development, Prof Otto Reinhold cites, among other things, the coexistence of socialist and private property and the multiparty system. "Another particularity is that the GDR shaped socialism on the dividing line between the two social systems and between the strongest military alliances histry has ever known. That, naturally, has influenced the path we have taken."

Homann Says FRG Campaign 'Playing With Fire'

AU1110134889 East Berlin NATIONAL-ZEITUNG in German 5 Oct 89 p 3

[Speech by NDPD Chairman Heinrich Homann at a festive event of the Presidium of the Main Executive Committee in Berlin on 4 October: "Socialism Is There for Everyone, It Needs Everyone, and It Has Room for Everyone"]

[Excerpts] [Passage omitted] Despite the size of the problems that have to be solved, our Republic, with its political stability, its economic and intellectual-cultural bases, constitutes a dead bolt to any antisocialist, imperialist plans. This is obviously the main reason for the baiting and slander campaign that has been waged by the FRG and the other NATO states against the GDR for weeks.

Recently, at the regular congress of the Christian Democratic Union [CDU], FRG Chancellor Helmut Kohl announced that time has come to revise the status quo in Europe. "A new epoch is breaking" in Europe, which is characterized by the "failure of socialism and a victory of the ideas of the CDU." One also has to see the usual talk of FRG politicians and ideologists of most varied colors of the so-called "open German question," and of the "duty to care for all Germans" in this context. This is, basically, a nationalist, political, and social revanche. It is revanchism with the danger of serious consequences for the postwar order in Europe and thus for the almost 45 years of peace on this continent, its longest period of peace in this century.

In the meantime, it has already become common knowledge that the GDR and the FRG are an important element of stability of the European postwar order and that both sovereign states, which are independent of each other, have a very special responsibility for peace on German soil and in Europe for historical, geographical, and political reasons.

However, this includes the FRG consistently proceeding from the spirit and letter of the Helsinki Final Act, the basis on the foundations of the relations between the GDR and the FRG, and the joint statements by Erich Honecker and Helmut Kohl of 1985 and 1987. However, in contradiction to the spirit of these documents, the FRG rulers do not miss any opportunity; they even look for them and abuse the podium of the UN General Assembly.

Whoever tries to call into question the realities, in particular the European borders, in any form and way whatsoever, undermines the foundations of the European postwar order and is playing with fire.

We are justified in seeing the obviously organized activities of the FRG to make GDR citizens leave their homeland in this overall context. Our party has categorically condemned these evil practices of the FRG, which are contrary to international law. If the FRG simply claims the entire population of another sovereign state as its own citizens, it refuses to fulfill its obligation under international law to respect an attribute of the GDR's sovereignty as a state, which has expressly been recognized by signing the Basic Treaty. One can turn the matter around as much as one likes, but, as the GDR citizenship is a fact that is respected by all other states, the claim that the GDR citizens are simultaneously FRG citizens remains—despite the Basic Law and the judgment of the Federal Constitutional Court—a presumption that is contrary to international law. We categorically reject Bonn's provocations, the slander against the GDR, and the permanent interference into its internal affairs; the provocative activities will not succeed. [passage omitted]

Reforms in our country will always serve the strengthening of socialism, which is and will be as good as we make it all together and for each other. Revolution and reforms in our country were, are, and remain exclusively our business, the business of our people and of their sovereignty. Preserving and continuing tested things and changing what needs to be changed are not just today's insight but have always been the practice in our country. This also applies to our party and its contributions to the further shaping of our society. We have developed our suggestions and proposals out of the process of work, presented them not only for decisionmaking but also for determining the strategy—and all this never out of the need to present ourselves in a positive light but in fulfilling the responsibility toward our party, our members, and toward our people and our state. Renewal is an unshakable principle of our continuity, which has proved its worth over decades and, therefore, has to be preserved. As we know, for all this we need steadfastness in order to tackle feasible matters with the imagination needed for new things. This presupposes the clear standpoint for our GDR and requires patience and impatience, reason and realism, militant spirit and boldness, and also a lot of courage to envisage utopia. [passage omitted]

U.S. Urged to Reconsider Chemical Weapons Ban

LD1110192789 East Berlin ADN International Service in German 1717 GMT 11 Oct 89

[Text] Berlin (ADN)—Ambassador Wolfgang Meyer, GDR Foreign Ministry spokesman, expressed the GDR's concern over official White House statements that the United States wants to continue production of binary weapons after a convention banning chemical weapons comes into force. This is a departure from the draft convention already coordinated in Geneva and represents a difficult obstacle to a rapid signing of a convention on the ban demanded worldwide and to the complete destruction of all chemical weapons. This is also contrary to the spirit of the joint statement adopted in Wyoming during the Soviet foreign minister and U.S. secretary of state's meeting.

The GDR regards the immediate signing of a convention banning chemical weapons as one of the priority tasks for advancing the disarmament process. Any further delay contains the risk of further complications. Starting from this awareness, the GDR supports all recent initiatives, proposals, and accords aimed at promoting and speeding up the multilateral negotiations in Geneva.

The GDR hopes, the spokesman said, that the United States will reconsider its attitude and its consequence. An immediate halt to the production of chemical weapons, as already practiced by the Soviet Union, is a dictate of the time.

Honecker Greets Anti-Nuclear Physicians Group

AU1110152889 East Berlin NEUES DEUTSCHLAND in German 9 Oct 89 p 9

[ND report: "GDR In Favor of Complete Elimination of All Nuclear Weapons"]

[Text] East Berlin—Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the GDR State Council, has sent the following greetings message to Sumio Sugimoto, president of the Ninth International Congress of the "International Physicians for the Prevention of Nuclear War" [IPPNW] association, which will start in Hiroshima on the weekend [7-8 October]:

Esteemed Mr President,

On behalf of the State Council, the government, and the citizens of the GDR, I convey cordial greetings to you and to all participants in the Ninth International IPPNW Congress, and wish you much success in your work.

The time and place of your important medical forum are an urgent admonition that the decisive task of the present is to save the world from a nuclear inferno.

Today, more than ever before, the fate of Hiroshima and Nagasaki is an eternal obligation for all reasonable and realistic forces of the world to cooperate for the safeguarding of peace, arms limitation, and disarmament, and for improving the international situation. Only in this way will it be possible to solve the other global problems, too.

With their work, which is highly valued in our country, the physicians united in the IPPNW have essentially contributed to mobilizing the peace forces. Like the IPPNW, the GDR advocates with determination the complete elimination all nuclear weapons from our

planet. Therefore, one must not relent in the initiated disarmament process, in both in the nuclear and conventional spheres. I share the view of the physicians that no break must be permitted in treating the nuclear disease and that radical steps are necessary to prevent the "last epidemic."

The conclusion of a treaty between the USSR and the United States as soon as possible on the halving of the strategic offensive weapons is urgently necessary. The ban on all nuclear tests remains a key issue of disarmament, for which the IPPNW, with the "Cease-Fire" campaign, is constantly mobilizing the public. Further zero-options for nuclear weapons, the establishment of nuclear-free zones, the elimination of chemical weapons, and steps toward conventional disarmament, toward confidence-building measures, and toward measures that promote security are necessary.

Since its founding on 7 October 1949, the GDR has made an active contribution to the safeguarding of peace. Through unilateral reductions in its Armed Forces, armaments, and its defense budget, it has made important advance moves. Its peace policy concurs with the view of the physicians and of the other peace forces.

Fifty years after the beginning of World War II, which was unleashed by Hitlerite fascism, 44 years after the dropping of the nuclear bombs on Hiroshima and Nagasaki, I may assure the world forum of physicians in the IPPNW that the State Council, the Government, and the citizens of the GDR, loyal to their historical obligation, will do everything so that war will never again start from German soil. In the future, too, they will use all their strength for a nuclear-free, peaceful, and secure world and will reliably stand at the side of the IPPNW and the worldwide peace movement in this common struggle for the survival of mankind.

Sincerely,

E. Honecker.

Honecker Holds Meeting With PDRY Leader

AU1210101089 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 1

[ADN report: "Friendly Talks With Yemeni Socialist Party General Secretary"]

[Text] Berlin—Erich Honecker, Central Committee general secretary of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council, received Ali Salim al-Bid, Central Committee general secretary of the Yemeni Socialist Party [YSP], for friendly talks on Monday [9 October].

Erich Honecker stressed that in preparing its 12th congress, the SED is guided by the idea that on the basis of its policy of continuity and renewal, it will continue to shape the developed socialist society in the GDR in accordance with the requirements of our time.

He confirmed the GDR's unswerving solidarity with the struggle of the Palestinian people under the leadership of the PLO for the implementation of its right to self-determination and the establishment of an independent state.

Ali Salim al-Bid stressed the firm solidarity of the party and people of the People's Democratic Republic of Yemen [PDRY] with the GDR.

The partners in the talks paid tribute to the relations between the two parties and countries, which are marked by mutual confidence and understanding, and said that they should be deepened further.

Taking part in the meeting were Muhammad Sa'id Abdallah Mushin, Politburo member and YSP Central Committee secretary; Dr Salih Mushin, YSP Central Committee secretary; Ali Isma'il Sayf, PDRY ambassador to the GDR; as well as Hans-Joachim Boehme and Guenter Sieber, SED Central Committee members.

Honecker Visit to Denmark This Month Postponed

LD1110161989 East Berlin ADN International Service in German 1544 GMT 11 Oct 89

[Text] Copenhagen (ADN)—A state visit by Erich Honecker, general secretary of the Socialist Unity Party of Germany Central Committee and chairman of the GDR's Council of State, to the Kingdom of Denmark, planned for the end of October, has been postponed to a later date. Both sides confirmed their desire to continue the political dialogue and good-neighborly relations between the GDR and Denmark undisturbed.

The invitation for an official visit by Erich Honecker was issued by Danish Prime Minister Paul Schluter during his visit to the GDR in September 1988.

Goetting Meets With Polish PAX Chairman

AU1110193189 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 2

[ADN report: "Meeting With the Chairman of the Polish PAX Association"]

[Text] East Berlin (ADN)—On Monday [9 October] Gerald Goetting, chairman of the Christian Democratic Union of Germany [CDU], received Maciej Wrzesz cz, chairman of the PAX Association of the People's Republic of Poland [PPR], for a friendly talk. Both men paid tribute to the good-neighborly relations between the GDR and the PPR. They affirmed the will to continue to deepen cooperation between the CDU and PAX in the interest of an increasingly comprehensive understanding between the two peoples and the further perfecting of relations between the two states.

It was said that the partners in the talks concurred on the fact that the recognition of the Oder-Neisse line as a peace border about 4 decades ago is an essential element of stability in Europe. The partners in the talks pointed

out that the forces of revanchism, that thirst for revision and change of the postwar realities, must be opposed with determination. The all-European peace order, which has been in the process of being built since the adoption of the Helsinki Final Act, needs the promotion and support of all forces of reason and realism, regardless of political and ideological differences.

Gerald Goetting briefed the Polish guests about development in the GDR. The CDU chairman stressed that, during the new period of its party work, which the CDU is facing, it will be particularly important to preserve the experiences that have been gathered in the alliance of all parties over 40 years, and to tackle and solve newly emerging problems in a constructive way. The profile and the independent work of the CDU, the participation of its members and non-party Christians in the work for the socialist society will be important for the further development of the country, which has gained high international appreciation thanks to its consistent peace policy.

Maciej Wrzesz cz stressed that he has made his first foreign trip as chairman to the CDU of the GDR to make clear that the foreign policy priorities of the PAX association remain unchanged. The PAX chairman reported on the economic and political situation in Poland and on the basic characteristics of the current development. In continuation, he discussed the goals and further tasks of his organization and said that it is necessary to increase the role of PAX in the society and to provide more intensive stimuli for solving urgent problems.

Plans Made To Contract 80,000 PRC Workers

AU1210093889 Vienna DER STANDARD in German 9 Oct 89 p 1

["wst" report: "80,000 Chinese Are To Replace GDR Refugees"]

[Text] East Berlin—The severely shaken GDR state leadership wants to gap the acute shortage of workers by contracting 80,000 workers from China. DER STANDARD exclusively received this information from a leading member of the FDGB (Free German Trade Union Federation).

The informer, who requested that his name not be disclosed, went on to say that the state leadership is planning to pay part of the wages of the contracted workers from China in Western currency to offer additional incentives to those interested. The GDR mainly needs skilled workers for the timer industry, tailors, skilled workers for the machine construction sector, and graduates in (Western) human and veterinary medicine. The latter are to be familiarized with the GDR health service in special courses and will ease the acute shortage in medical staff in hospitals.

The FDGB official expressed particular fear that the better salaries of the Chinese might cause the already disastrous atmosphere in the enterprises to explode. Trade union officials are being told off almost every day in the enterprises and confronted with demands they cannot meet, because their hands are tied by the state leadership. In protest against the government's attitude, which is hostile to reform, workers in some enterprises are only working 2 and ½ hours per shift, the FDGB official said. There is no way that the plan can be fulfilled now, and the economic results will fall back to the values of many years ago, he concluded.

Fischer Meets With Counterparts in New York

AU0710214989 East Berlin NEUES DEUTSCHLAND in German 3 Oct 89 p 7

[ADN report: "GDR Foreign Minister Held More Talks in New York"]

[Text] New York—GDR Minister of Foreign Affairs Oskar Fischer met with Joseph N. Garba (Nigeria), president of the 44th UN General Assembly, for friendly talks in New York on Monday [2 October]. During the talks Garba paid tribute to the GDR's firm position of solidarity with the struggle of the African peoples for their national independence and against all phenomena of racism and apartheid. President Garba expressed the hope that the General Assembly session this year will continue to be marked by a constructive spirit, so that, he said, at least some of the urgent tasks facing mankind can be solved. He assessed the GDR's cooperation in the United Nations Organization as an effective, useful, and helpful commitment to the principles and goals of the UN Charter.

In a cordial meeting that Oskar Fischer had with PRC Foreign Minister Qian Qichen, problems related to the development of bilateral relations and the international situation were discussed. The ministers briefed each other on the state and prospects of socialist building in their countries. They stated unanimously that the attacks that certain imperialist circles are currently increasingly launching against the socialist states are above all aimed at hindering the steady progress on the socialist road, and at deviating the attention of the international public from the main issues: the safeguarding of disarmament, detente, and a life-preserving environment. Oskar Fischer and Qian Qichen stressed their countries' determination to continue to protect socialism against all attacks and to intensify cooperation between the GDR and the PRC in all areas. They said that the further strengthening of friendship between the GDR and the PRC was not only in the interest of the two countries and peoples, but would also have positive effects on efforts for stabilizing world peace and establishing a climate of detente in the world.

In Oskar Fischer's talks with Pascoal Manuel Mocumbi, foreign minister of the Republic of Mozambique, and Budimir Loncar, SFRY federal secretary of foreign affairs, developments in southern Africa, including in particular the Mozambican Government's efforts for

safeguarding the peaceful internal and external development of the country, and nonaligned problems were discussed. Budimir Loncar paid tribute to the GDR's high interest in the movement and goals of the nonaligned countries.

Messages, Celebrations Mark Anniversary

Numerous Delegations Attend

LD1110165189 East Berlin ADN International Service in German 1955 GMT 6 Oct 89

[Text] Berlin (ADN)—A large number of foreign guests have come to Berlin for the celebrations of the 40th anniversary of the founding of the GDR. The following personalities were present in the presidium of the festive event held in the GDR capital today:

Mikhail Gorbachev, general secretary of the CPSU Central Committee of the Supreme Soviet;

Wojciech Jaruzelski, president of the People's Republic of Poland,

Milos Jakes, general secretary of the Commuinist Party of Czechoslovakia Central Committee;

Todor Zhivkov, secretary general of the Bulgarian Communist Party Central Committee and chairman of the state council of the People's Republic of Bulgaria;

Nicolae Ceausescu, secretary general of the Romanian Communist Party and president of the Socialist Republic of Romania;

Professor Bruno Ferenc Straub, president of the Presidential Council of the Hungarian People's Republic;

Jambyn Batmonh, general secretary of the Mongolian People's Revolutionary Party Central Committeee and chairman of the Presidium of the People's Great Hural of the Mongolian People's Republic;

Daniel Ortega, coordinator of the Executive Commission of the Sandinista National Front and president of the Republic of Nicaragua;

Yasir 'Arafat, president of the State of Palestine and chairman of the PLO Executive Committee;

Yao Yilin, member of the Standing Committee of the Communist Party of China Central Commitee Politburo and vice premier of the PRC State Council;

Nguyen van Linh, general secretary of the Vietnamese Communist Party;

Yon Hyong-muk, member of the Politburo of the Workers Party of Korea Central Committee and premier of the DPRK Administration Council;

Juan Almeida Bosque, member of the Politburo of the Cuban Communist Party Central Committee and vice president of the Council of State of the Republic of Cuba;

Phoumi Vongvichit, member of the Politburo of the Lao People's Revolutionary Party Central Committee and acting president of the Lao People's Democratic Republic;

'Ali Salim al-Bid, secretary general of the Yemen Socialist Party;

Gus Hall, National Chairman of the Communist Party of the United States;

Momir Bulatovic, member of the Presidium of the League of Communists of Yugoslavia;

Colonel Mustafa al-Kharrubi, member of the leadership of the Libyan Revolution;

Alemu Abebe, member of the Politburo of the Workers' Party of Ethiopia and deputy prime minister;

Mieczyslaw Rakowski, first secretary of the Polish United Workers Party Central Committee;

Krzysztof Skubiszewski, foreign minister of the Polish People's Republic;

Joseph 'Aqi, ambassador extraordinary and plenipotentiary of the Republic of Lebanon to the GDR and doyen of the diplomatic corps;

Patricio Echegary, secretary general of the Argentine Communist Party Central Committee;

Salomao Malina, secretary general of the Brazilian Communist Party;

Volodia Teitelboim, secretary general of the Chilean Communist Party;

Clodomiro Almeyda, secretary of the Socialist Party of Chile;

Ole Sohn, chairman of the Communist Party of Denmark;

Herbert Miles, chairman of the German Communist Party;

Rene Mauge, secretary general of the Communist Party of Ecuador Central Committee;

Jarmo Wahlstrom, chairman of the Finnish Communist Party

Jouko K., .oja, chairman of the Communist Party of Finland (unity);

Ali Khavari, secretary of the Tudeh Party of Iran;

Michael O'Riordan, national chairman of the Communist Party of Ireland;

Rene Urbany, chairman of the Communist Party of Luxembourg;

Rafael Rodriguez Barrera, general secretary of the National Executive Committee of the Institutional Revolutionary Party of Mexico;

Kare Andre Nilsen, Chairman of the Communist Party of Norway;

Rolf Hagel, chairman of the Swedish Communist Workers' Party;

Lars Werner, chairman of the Party of the Left (Communist) of Sweden;

Alfred Nzo, secretary general of the African National Congress of South Africa;

Joe Slovo, general secretary of the South African Communist Party;

Dietmar Ahrens, acting chairman of the Socialist Unity Party of West Berlin;

Sayyed 'Amanuddin Amin, deputy prime minister of the Democratic Republic of Afghanistan;

Al-Hadj Khediri, Algerian transport minister;

Lopo do Nascimento, member of the Central Committee of the Popular Movement for the Liberation of Angola;

Vithal Narhar Gadgil, general secretary of the All-India Congress Committee of the Indian National Congress (I);

Gumercindo Milhomen, member of the national executive and federal deputy of the Brazilian Workers Party;

Ney Pena, member of the Central Committee Politburo of the Kampuchean People's Revolutionary Party;

Andre Obami Itou, member of the Central Committee Politburo of the Congolese Labor Party;

Minister Mariano de Araujo Matsinhe, member of the Central Committee Politburo and secretary of the Control Committee of the Mozambique Liberation Front;

Shapau Kaukungwa, member of the Central Committee of the South-West African People's Organization of Namibia;

Nolan Chipo Makombe, president of the Senate of the Republic of Zimbabwe, member of the Central Committee of the African National Union (Patriotic Front);

'Izz al-Din Nasir, member of the regional management of the Arab Socialist Ba'th Party and chairman of the Syrian Trade Union Federation;

William Mbago, member of the Politburo and secretary of the Central Committee of the Revolutionary Party of Tanzania;

Ludo Loose, member of the General Council of the Union of Belgian Communists;

Norma Fidelia, member of the high command of the Farabundo Marti National Liberation Front of El Salvador;

Gaston Plissonnier, member of the Politburo and secretary of the Central committee of the French Communist Party;

Nikoaos Kaloudhis, member of the Central Committee Politburo of the Greek Communist Party;

Jack Ashton, member of the Central Committee of the Communist Party of Great Britain;

Indrajit Gupta, deputy general secretary of the National Council of the Communist Party of India;

E. Balanandan, member of the Politburo of the Central Committee of the Communist Party of India (Marxist);

Wolf Ehrlich, member of the Central Committee Politburo and chairman of the Central Party Control Commission of the Israeli Communist Party;

Ben Swankey, the personal representative of the general secretary of the Canadian Communist Party;

Arsene Ratsifehera, deputy general secretary of the Congress Party for Malagassy Independence;

Dr Ricardo Valero, member of the national executive of the party of the Democratic Revolution of Mexico;

Fenna Bolding, member of the Central Committee Politburo of the Communist Party of the Netherlands;

Hans Kalt, member of the Politburo and secretary of the Austrian Communist Party Central Committee;

Na'im al-Ashhab, member of the Central Committee Politburo of the Palestinian Communist Party;

Octavio Pato, secretary of the Portuguese Communist Party Central Committee;

Alex K. Shapi, member of the committee of the chairman of the Central Committee of the United National Independence Party of Zimbabwe;

Simon Sanchez Montero, member of the Political Commission of the Spanish Communist Party Central Committee;

Osman Sakalsiz, deputy general secretary of the Turkish Communist Party;

Jose Luis Massera, member of the Executive Committee of the Uruguayan Communist Party Central Committee;

Mikhail Olimbios, chairman of the Party Control Committee of the Progressive Party of the Working People of Cyprus.

Soviet Military Holds Event

AU1110132189 East Berlin NEUES DEUTSCHLAND in German 6 Oct 89 p 4

[ADN report: "Festive Event of Western Group of Soviet Forces"]

[Text] Wuensdorf (ADN)—On Thursday [5 October] in Wuensdorf the Supreme Command of the Western Group of the USSR Armed Forces held a festive event on the 40th anniversary of the founding of the GDR. Generals and officers of the staff, members of the Wuensdorf garrison, and their families expressed their will to further deepen the close fraternal relations between the CPSU and the SED, between the peoples of the USSR and the GDR, as well as between their armies. The members of the Politburo of the Central Committee of the Socialist Unity Party of Germany [SED] Guenther Kleiber, first deputy chairman of the Council of Ministers, and Army General Heinz Kessler, minister of national defense, were welcomed with great cordiality.

Together with the guests Army General Boris Snetkov, commander in chief of the Western Group, and Colonel General Nikolay Moiseyev, member of the Military Council and chief of the Political Administration of the Western Group, took their seats on the podium.

In his festive speech Army General Snetkov stated that the GDR's anniversary is an important event for the people all over the world. For the first time there is a state on Germany soil that does not serve the militaristic efforts of the class of exploiters but the peaceful interests of the working people, and which is characterized by political stability, consistent development of the national economy, and social security. The commander in chief stressed that the Soviet Union will always remain a loyal friend and ally of the GDR. Year by year the comradeship in class and arms of the members of the Western Group with the working people and soldiers of the GDR is deepening. He paid tribute to the steady care and support by the GDR party and state leadership and by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council personally.

Guenther Kleiber conveyed to the participants in the festive event most cordial greetings by Erich Honecker and expressed thanks for the recognition of the achievements of the GDR people in shaping the developed socialist society. "This meeting shows that the communists of our two countries, the members of the Soviet Army and of the National People's Army and of all citizens of the GDR and of the Soviet Union celebrate the anniversary of the founding of the GDR as our common festive day. This expresses in a particular way the close affinity between our parties, states, and people."

With great pleasure and satisfaction the GDR working people are expecting Mikhail Gorbachev's participation in the festivities on the 40th anniversary of the GDR, Guenther Kleiber noted. "This visit will again stress the concurrence of our basic views about the ideals and values of socialism, about its vitality and its historical prospects."

Herrmann Emphasizes Friendship

AU1110153489 Sofia RABOTNICHESKO DELO in Bulgarian 6 Oct 89 p 5

[Interview with Joachim Herrmann, member of the SED Central Committee Politburo and SED Central Committee secretary, with Vladimir Prodanov, RABOTNICHESKO DELO correspondent in Berlin: "Party Policy—Unity of Words and Deeds"—place, date not given]

[Text] [Prodanov] Can you describe the most remarkable achievements of the Socialist Unity Party of Germany [SED] on the eve of the GDR's 40th anniversary?

[Herrmann] The 40 years that have elapsed since the establishment of the GDR mean 4 decades of workers' and peasants' power on German territory. Unprecedented successes in our country's history were achieved over these 40 years, resulting from the strength and firm resolve of the workers class, the cooperative peasants, and the intelligentsia, under the leadership of the SED and with the cooperation of all social forces rallied in the National Front. Erich Honecker, general secretary of the SED Central Committee and chairman of the State Council, correctly expressed our feelings related to the past achievements in addressing a meeting of antifascist resistance veterans and activists of the first period of construction in the GDR, when he said: "The last 40 years that have elapsed confirmed that the existence of the GDR is a valuable asset for our people and for the peoples of Europe, in general. It provided a solid foundation for security and stability on our continent. Strongly linked to the Warsaw Pact, our state demonstrated the infinite opportunities of a country which has eliminated exploitation of man by man and is consistently working for lasting peace."

It is for precisely this reason that the establishment of the GDR on 7 October 1949 is a thorn in the flesh of certain political circles across our Western borders. These circles strived to annihilate the workers and peasants government from the very first days of its existence. By noisily claiming to restore the "German Reich within its borders of 1937," namely to revise the European borders established as a result of World War II and the postwar development, they have recently been trying to destabilize the GDR. As far as we are concerned, we can say that they have been reckoning without the host. The GDR today, just as in the last 40 years, is and will remain a barrier against revanchism and neo-Nazism, which is insolently re-emerging in the FRG. The peoples of our continent may confidently rely on the native land of Karl Marx and Friedrich Engels, where by consolidating socialism, we will honorably fulfill the legacy of those who perished in the struggle against fascism and war.

In celebrating the 40th anniversary of the GDR we are inspired by remarkable achievements in all spheres of our social life. We have achieved these successes because our party, in implementing its social strategy, was always guided by the creative application of the universally valid rules of socialism, under the specific conditions existing in our country. The GDR was transformed into a state where socialist property of the basic production means and socialist economic planning were successfully tested. The democratic participation of the working people in state administration and economic management, based on the principle: "Let us work together, plan together, and administer together," is a perfectly natural and feasible practice. Parties, such as the Democratic Peasants Party, the Christian Democratic Union, the Liberal-Democratic Party, the National Democratic Party, the trade unions, the Free German Youth, and all mass organizations, which are cooperating with the SED in a spirit of friendly alliance, have invaluably contributed to these achievements.

In applying the unity of economic and social policy adopted at the Eighth SED Congress in 1971 and in relying on our past achievements, we marked a new stage in our social development and great progress in all spheres of our life. Over the aforementioned period our annual national income increased by more than 4 percent. This growth was the result of intensified production and labor productivity increase. Considerable successes were achieved in the development and application of advanced technologies, especially in the sphere of microelectronics.

This line of policy strengthened our people's social security and guaranteed full employment, it provided incentives for the high educational and cultural standards of our citizens. I would like to stress that the housing problem, as a social issue, will be solved as early as in 1990. A total of 3,270,000 million housing units were built, or modernized since 1971, thus providing considerably improved housing conditions for more than half of the GDR citizens. This is how one of the most ancient goals of the revolutionary workers movement shall be achieved within a short historical period of less than 20 years.

In discussing our achievements we also keep in mind the revolutionary changes that have occurred in the people's mentality, by eliminating the fascist ideology and overcoming racism and chauvinism. The construction of socialism would have been unthinkable without such changes. The ideas of friendship and solidarity among peoples and our unshakable alliance with the Soviet Union and all other socialist countries are deeply rooted in the citizens' consciousness.

The legacy of the German antifascists of 1945, which is an integral part of the basic principles which inspired the establishment of the GDR—namely to do everything within our power to prevent war from ever breaking out again on German territory—has been the main guideline of our foreign policy over the last 40 years. It is in accordance with this principle that within the framework of the Warsaw Pact we are actively contributing to uninterrupted disarmament. I would just like to mention the measures aimed at the unilateral reduction of our National People's Army which we adopted in the purpose of supporting and stimulating the process of conventional disarmament and confidence building in Europe. The GDR initiatives for the establishment of a zone free of nuclear and chemical weapons along the border line between the Warsaw Pact and NATO remain in force. We are engaged in an active, political dialogue for consolidating the worldwide coalition of common sense and realism, for the alliance of all peace-loving forces.

[Prodanov] How would you describe the preparations for the 12th SED Congress?

[Herrmann] Preparations for the 12th SED Congress, which is scheduled to take place from 15 to 19 May 1990 in Berlin, expanded into a movement involving all classes and strata of our society. Socialist competition for the fulfillment and overfulfillment of the 1989 national economic plan was intensified. Along with this, the workers collectives are discussing the compilation of a demanding plan for the congress year. Workers and peasants, students, scientists, and cultural leaders, members of all parties, and non-party people are all engaged in discussing and further building socialism of the nineties. Major importance is now attached to every worker's individual achievement in his own workplace in connection with implementing the policy of unity of economic and social policy.

We will continue to work with the same methods that have determined our success over the last 40 years. Our policy is aimed at consistency and renewal. We shall continue to preserve all correct elements, but at the same time we shall eliminate everything that obstructs our progress. We shall boldly engage in new tasks. As in the past, our future party policy shall be determined by harmony of words and deeds. This is how we shall further build up a developed socialist society in the GDR as a historical process of fundamental political, economic, social, intellectual, and cultural changes to the people's benefit, in the interest of the workers class, and of all working people.

[Prodanov] How do you evaluate the unity of economic and social policy in the process of developing socialist consciousness?

[Herrmann] Let us recall the words of Friedrich Engels spoken at the funeral of his comrade Karl Marx, when, in referring to the law on the development of human society discovered by Marx, he pointed out the simple fact that "people should, above all, have enough to eat and drink, a roof over their heads, and they should be decently clothed, and only after obtaining all this can they engage in politics, science, the arts, religion, and so forth." This elementary rule of human existence is the basic principle of the SED policy, based on the unity of economic and

social policy. The experience of our citizens that good work for the consolidation of socialism serves everyone's fundamental interests is a decisive motivation for great achievements and represents a basic prerequisite for the consolidation of socialist consciousness. The facts of life are the most convincing argument for the correctness of our theory, of our goals, and path.

It is on this basis that our party propagates the Marxist-Leninist world outlook and further develops its ideological work which it considers the core of its activities. The unity of economic and social policy resolutely determines the overall social and intellectual atmosphere in our country and leads to the conviction that socialism is a historically superior social system aimed at the future.

[Prodanov] Can you describe the new tasks of fraternal cooperation between the Bulgarian Communist Party [BCP] and the SED?

[Herrmann] I would like, first of all, to express my great joy that among the numerous guests arriving from all over the world on the occasion of the GDR's 40th anniversary, we will have the pleasure of welcoming Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council of the People's Republic of Bulgaria. Solidarity with the fraternal states has always been a decisive factor for the GDR's successful social development and for the consolidation of its role in international relations.

The SED and the BCP are linked to each other by solid friendship. Our friendship is based on the most valuable traditions of the German and Bulgarian workers movement, on the legacy of Ernst Thaelmann and Dimitur Blagoev, of Wilhelm Pieck and Georgi Dimitrov. The meetings between Comrades Erich Honecker and Todor Zhivkov opended new horizons of fraternal cooperation in recent years. In accordance with the Friendship, Cooperation, and Mutual Assistance Treaty of 1977 and with the agreements reached during Erich Honecker's visit to the People's Republic of Bulgaria in autumn 1987, our relations are developing at a dynamic and stable pace. The long-term program on economic and scientific-technical cooperation for the period up to 2000 which was signed on that occasion is in accordance with the requirements of the overall intensification of the national economy and in conformity with the effectiveness of social production.

Direct working contacts between collectives, between local organs, and organizations in our two countries are continuing to expand. The results of students' delegations' and lecturers' exchanges are useful and this also applies to cooperation between educational institutions and research centers, as it does to cooperation between party press organs, and the varied contacts at okrug and oblast levels.

The close cooperation between the SED and the BCP will also in the future provide decisive incentives for promoting the level of relations between our two countries. We will concentrate our efforts on further improving the quality and effectiveness of fraternal cooperation to the benefit of our two peoples and of socialism worldwide.

Societies Send Congratulations

AU1110151089 East Berlin NEUES DEUTSCHLAND in German 5 Oct 89 p 3

[Letter by societies for friendship and cooperation with the GDR to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council: "Resurrected from Ruins, the GDR Became a Respected Peace State"]

[Text] To Mr Erich Honecker, chairman of the GDR State Council:

With this letter we, the representatives of societies for friendship and cooperation with the GDR, we want to convey to you, Mr State Council chairman, as well as to all GDR citizens our cordial congratulations on the 40th anniversary of the founding of the GDR.

Resurrected from the ruins of the most devastating of all wars and putting into practice the ideas of the fighters against fascism, the GDR became an internationally respected state through the industriousness and secure prospects for the future of its citizens. Its pledge to do everything so that war will never again start from German soil and its active policy in the service of disarmament, detente, and equal international cooperation, have made the GDR an important factor in the struggle for peaceful coexistence and trusting cooperation. The solidarity of the GDR with those forces that advocate social progress is highly valued.

With understanding and admiration we are observing the achievements of the GDR in the eocnomic, scientific, social, and cultural fields. They are an expression of a policy that is aimed at the welfare of the citizens, to ensure a high quality of living, and to make the GDR a valuable partner in varied international cooperation. We, the friends of the GDR all over the world, wish you, Mr State Council Chairman, your country, and all its citizens, much success in reaching the demanding goals you have set yourselves. We link this with the wish that the efforts that have already been made may contribute to make our world a "common home," in which there is security and prosperity, as well as friendship among the peoples.

With this hope we are standing at your side.

Yours sincerely,

France-GDR Society, Georges Castellan, president;

Greece-GDR Friendship Society, Savvas Agouridis, president;

All-Indian Association for Friendship With the GDR, Subhadra Joshi, president;

Italy-GDR Society, Senator Tullia Carettoni, president;

Sweden-GDR Association, Bishop Lars Carlzon, chairman;

Mexico-GDR Friendship Society, Alonso Aguilar M., president;

Conference of Japan-GDR Friendship Societies, Toshikazu Yamaguchi, secretary general;

Colombia-GDR Association, Eduardo Arevalo Burgos, president;

Luxembourg-GDR Society, Dolphe Kutter, president;

Democratic Republic of Madagascar-GDR Friendship Society, Arsene Ratsifehera, president;

Norway-GDR Friendship Association, Kjell Skyllstad, chairman;

Zambia-GDR Friendship Society, Henry Matipa, chairman;

Jordan-GDR Friendship Society, Ibrahim Abu Ayyash, president;

The Congo-GDR Friendship Committee, Germain Mohoungou, president;

Palestine-GDR Friendship Society, Ahmad Abu 'Ala, president;

Nigeria-GDR Friendship and Cultural Association, Alhaji Musa Kachia, president;

Austria-GDR Society, Friedrich Epstein, president;

Portugal-GDR Friendship Society, Joao de Freitas Branco, president;

Switzerland-GDR Society, Francois Maffli, president;

Tanzania-GDR Friendship Society, Ernes Maganya, president;

Peru-GDR Culture and Friendship Society, Senator Gustavo Mohme LLona, president;

Australia-GDR Friendship Society, Bert Nolan, president;

Africa-GDR International Friendship Society for Peace and Disarmament Mauritius, Harry P. Hookoom, president;

Friends of the GDR on the Philippines, Lourdaes Casas Quezon, president;

U.S. Committee for Friendship with the GDR, John P. Wojcik, national coordinator;

Cyprus-GDR Society for Friendship and Cultural Links, Khristos Petrondas, president;

Mali-GDR Friendship Society, El Hadj Cheickna Hamala Tounkara, president;

Costa Rica-GDR Friendship Society, Oscar Salas Leon, president;

Spain-GDR "Wilhlem von Humboldt" Society for Getting to Know Each Other and Friendship, Juan Antonio Hormigon, president;

India-GDR Friendship Society, Member of Parliament Raghumandan Lal Bhatia, president;

Egypt-GDR Friendship Society, Ahmad Hamrush, president;

Ecuadoran Society of the Friends of the GDR, Washington Bonilla Abarca, president;

Finland-GDR Society, Veikko Savela, chairman;

Ireland-GDR Friendship Society, Pergus Brogan, president;

Iceland-GDR Friendship Society Orn Erlendsson, president;

"Bertolt Brecht" Cultural Association Sao Paolo/Brazil, Fernando Peixoto, president;

Denmark-GDR Friendship Society, Vesti Andersen, chairman;

People's Democratic Republic of Yemen-GDR Friendship Society, Mohamad Mohsen Mohamad, president;

Guyana-GDR Friendship Society, Moti Lall, president;

Japan-GDR Friendship Society Seijiro Usami, president;

"Alexander von Humboldt" Argentine Ateneum, Juan E. Azcoaga, president;

Sri Lanka-GDR Friendship Association, M.S. Amarasiri, president;

Nepal-GDR Culture and Friendship Society, Laxman Rajbanshi, vice president;

People's Democratic Republic of Ethiopia-GDR Friendship Committee, Minister Girma Yilma, president;

Britain-GDR Society, Alf Lomas, member of the European Parliament, president;

Venezuelan Society of the Friends of the GDR, Helena Sassone, president;

People's Republic of Mozambique-GDR Friendship Committee, State Inspector Raimundo Pachinuapa, secretary;

Angolan League of Friendship and Solidarity Among Peoples, Domingos Coelho da Cruz, president;

Benin-GDR Friendship Society, Darius Latif Adebayo, president;

Ghana-GDR Friendship Society, Mowbray Elliott, president;

Democratic Republic of Sao Tome and Principe-GDR Committee for Friendship and Solidarity, Tome Dias da Costa, president;

Democratic Republic of Afghanistan-GDR Friendship Society, Sayed Amanuddin Amin, chairman;

New Zealand-GDR, Bruce Fowler, president.

Honecker Answers Societies

AU1110101589 East Berlin NEUES DEUTSCHLAND in German 5 Oct 89 p 3

[Letter by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, to the presidents of the Societies for Friendship and Cooperation With the GDR]

[Text] To the presidents of the Societies for Friendship and Cooperation with the GDR:

Esteemed, dear friends:

I feel the sincere need to thank you, the representatives of the Societies for Friendship and Cooperation with the GDR, for your greetings and congratulations on the 40th anniversary of the founding of the GDR. They testify to your affinity with our country, our successes, the achievements, and the things that still have to be achieved.

Your dedication to peace, reliable cooperation, and friendship is of utmost importance and topicality, since it is necessary to support with all one's strength the approaching change for a healthy international climate and to prevent confrontation and cold war from again gaining the upper hand.

I remember with pleasure the personal talks with representatives of friendship societies, in the course of which they briefed me on their varied work. The possibilities of getting to know our country, which you are establishing through your initiatives, promote the dialogue about the basic questions of our time and are an important contribution to strengthening and further developing a worldwide coalition of reason and realism. It remains our joint motto: Friendship among the peoples consolidates peace.

We are pleased about the high appreciation for the achievements of our people, who over 4 decades have established with industriousness and purposeful work a society, which is characterized by an absolute will for peace, social security, and protection.

Rest assured that, loyal to the legacy of the antifascist struggle of the peoples, the GDR will continue to do everything so that a threat to other peoples will never again start from German soil. The policy of the socialist German state remains pledged to safeguarding peace, to international solidarity, and to the welfare of its own people.

With close affinity,

E. Honecker, chairman of the GDR State Council

Kessler Receives Admirals

AU1110160589 East Berlin NEUES DEUTSCHLAND in German 9 Oct 89 p 9

[ADN report: "Navy Chiefs Meet With Defense Minister"]

[Text] Berlin—Army General Heinz Kessler, Central Committee Politburo member of the Socialist Unity Party of Germany and minister of national defense, received Admiral Vitaliy Ivanov, commander of the USSR Baltic Fleet, and Rear Admiral Piotr Kolodzieczyk, chief of the Polish Navy, on Friday [6 October].

The minister briefed his guests on the diverse activities and high performance of the working people and soldiers in preparation for the anniversary of the republic and for the comprehensive strengthening of their socialist fatherland. He paid tribute to the fraternal relations between the GDR, the USSR, and the Polish People's Republic, as well as to the cooperation between their armed forces for the common protection of the peaceful construction work.

Vice Admiral Theodor Hoffmann, deputy minister of national defense and chief of the People's Navy, took part in the meeting in the Defense Ministry.

'Friendly' Talks Held

AU1110160789 East Berlin NEUES DEUTSCHLAND in German 9 Oct 89 p 9

[ADN report: "Friendly Meetings With Foreign Guests"]

[Text] Berlin—During the ceremonies marking the 40th anniversary of the founding of the GDR, many friendly meetings took place between members of the party-state leadership and foreign guests. Council of Ministers Chairman Willi Stoph met with Wojciech Jaruzelski, president of the Polish People's Republic; Mieczyslaw Rakowski, Central Committee first secretary of the Polish United Workers Party, and Polish Foreign Minister Krysztof Skubiszewski. Willi Stoph also held talks with Yon Hyong-muk, Central Committee Politburo member of the Workers Party of Korea and chairman of the DPRK Council of Ministers.

People's Chamber President Horst Sindermann held talks with Nicolae Ceausescu, general secretary of the Romanian Communist Party and president of the Socialist Republic of Romania, and with Yasir 'Arafat, president of the state of Palestine and chairman of the PLO Executive Committee.

Other Central Committee Politburo members and candidate members of the Socialist Unity Party of Germany [SED], deputies of the State Council and Council of Ministers chairmen, other government members and officials of the parties that are close to the SED, the National Council president of the National Front, and representatives of mass organizations received representatives of socialist fraternal countries and other personages from all over the world, who conveyed greetings and congratulations on the republic's anniversary. During the talks, the guests paid tribute to the achievements attained by the GDR people, their work for socialism and peace, and their international solidarity. During the meetings, the hosts thanked their partners in the talks for the greetings and asked them to reciprocate these to their parties and movements, to their heads of state and government, and to their peoples.

Greetings Sent on Occasion of Anniversary

Hungarian Leaders Send Message

AU1110163789 East Berlin NEUES DEUTSCHLAND in German 9 Oct 89 p 10

[Greetings message from Hungarian leaders on the GDR national day]

[Text] Comrade Erich Honecker,

General secretary of the Socialist Unity Party of Germany [SED]

and chairman of the GDR State Council;

Comrade Willi Stoph,

Chairman of the GDR Council of Ministers:

On behalf of the Central Committee of the Hungarian Socialist Workers Party [MSZMP], the Presidential Council, and the Council of Ministers of the Hungarian People's Republic, and on behalf of our people, we are sending you and all citizens in your country warm greetings and sincere congratulations on the 40th anniversary of the GDR.

The beginning of close and comprehensive cooperation between the Hungarian People's Republic and the GDR coincides with the founding of the socialist German state which, fulfilling its historic mission under the leadership of the SED, has become an important and active factor of peace and security in Europe. In the past 4 decades, our cooperation, which is based on our mutual interests and our common responsibility for the cause of social progress, has been continuously expanded, and today comprises all areas of social and economic life, scientific-technological development, culture, and direct contacts between the people.

We for our part would also like to use this opportunity to assure you that we are striving for the expansion and deepening of these relations.

The foreign-political efforts of our countries and parties have contributed to the fact that the European peoples today can witness and actively participate in the creation of a continent with a new atmosphere and more security. We are convinced that the Hungarian People's Republic and the GDR will continue to contribute their share to the strengthening of the positive processes and the creation of a common European home.

On your National Day, we wholeheartedly wish you and the GDR people outstanding successes in preserving and expanding your epochal achievements and in shaping a democratic, socialist society for the people's benefit.

Reszo Nyers,

chairman of the MSZMP;

Karoly Grosz,

general secretary of the MSZMP;

Bruno F. Straub,

chairman of the Presidential Council of the Hungarian People's

Republic;

Miklos Nemeth,

chairman of the Council of Ministers of the Hungarian People's

Republic

Polish Leaders' Greetings

AU1110191789 East Berlin NEUES DEUTSCHLAND in German 9 Oct 89 p 10

[Greetings messages from Polish leaders to GDR on national day]

[Text] Comrade Erich Honecker,

Chairman of the GDR State Council

Esteemed Comrade Erich Honecker:

On the occasion of the 40th anniversary of the founding of the GDR, I convey cordial greetings and best wishes to you, the State Council, and the fraternal people of the GDR.

The good-neighborly and friendly relations with the GDR are of enormous importance for the Poles and an achievement of historic dimensions.

The conclusion of the memorable Zgorzelec Agreement on the Polish-German peace border along the Oder and Neisse was of great significance. The ties of lasting friendship that have developed between our states and peoples over the past 4 decades are in keeping with their immediate vital interests. They were and still are an important factor in strengthening the state of peace in

Europe, and a firm component of the alliance and of cooperation between the states of the socialist community.

The achievements of the GDR's working people cannot be shaken. Your country today holds a respected and lasting place within the international community. The GDR's contribution to strengthening security on our continent and its active work in establishing a peaceful European home are indispensable elements in the process of establishing closer ties between the two parts of a divided Europe.

Now that we are facing great new challenges, the achievements accomplished during 40 years of cooperation and the friendship that links our two peoples and the young people of Poland and the GDR represent something of extremely significant value. This is our joint capital for the future.

Dear Comrade Erich Honecker, please accept my best wishes for further successes in the development of the GDR, for health, and personal well-being on the occasion of the anniversary.

Wojciech Jaruzelski,

President of the PPR

Comrade Erich Honecker,

General secretary of the Central Committee of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council Esteemed Comrade Honecker:

On the occasion of the 40th anniversary of the founding of the GDR, the first socialist state on German soil, I convey cordial fraternal greetings and best wishes to you, the fraternal people, the SED, and the Communists of the GDR on behalf of the Central Committee of the Polish United Workers Party [PZPR] and all members of our party.

We have great respect and appreciation for the successes of the GDR in building socialism, which are the result of the sacrificial work of the workers class and of the entire people of the GDR under the leadership of the SED. We convey sincere congratulations to you on the achievements that have been accomplished in all spheres during the past 40 years.

The GDR, our neighbor, ally, and friend, is an important factor today in stabilizing relations in Europe and ensuring the continuity of the political-territorial order on our continent.

Cooperation between the PZPR and the SED has always served and today still serves the development and acceleration of bilateral relations in other spheres as well. We are convinced that the traditional friendship that is characterized by sincerity and solidarity and which corresponds to the requirements of the present will further develop and strengthen, in the interest of our fraternal parties and peoples, for the benefit of the cause of socialism and progress.

On the occasion of your national holiday, we wish you, the SED, and the people of the GDR new successes in building socialism for the well-being of the people. Please accept our wishes for good health and your personal well-being.

Mieczyslaw F. Rakowski,

first secretary of the PZPR Central Committee

Mr Willi Stoph,

Chairman of the GDR Council of Ministers

Esteemed Mr Stoph:

On the occasion of the 40th anniversary of the founding of the GDR, I convey cordial greetings and congratulations to you, the Council of Ministers, and all citizens of the GDR on behalf of the PPR Government and on my own behalf.

The PPR accords great importance to the development of relations with its western neighbor, the GDR. The government, under my leadership, appreciates the GDR's willingness to further shape relations on the solid foundations of the Zgorzelec Agreement. I am deeply convinced that Poland and the GDR, by maintaining cooperation, serve the interests of our states and the many and varied obligations within the alliance that are aimed at strengthening detente, at European security, and at peace.

I would also like to express the hope that the changes that are taking place in our part of the world may permit us to achieve real progress in our people's getting to know each other and in establishing authentic links between them.

Mr Prime Minister, on the occasion of your anniversary, I would like to convey sincere wishes for the successful development of the GDR for the well-being of its citizens.

At the same time, please accept my best wishes for the successful activities of the government under your leadership, as well as for your personal well-being.

Tadeusz Mazowiecki,

chairman of the PPR Council of Ministers

Al-Qadhdhafi Greets Honecker

AU1110161489 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 7

[Message from Libyan revolution leader Mu'ammar al-Qadhdhafi to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, on the GDR's National Day]

[Text] His Excellency, Mr Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the GDR State Council:

On the occasion of the 40th anniversary of the founding of your country, which has friendly relations with us, I am pleased to convey, on behalf of myself and on behalf of the people of the Great Socialist People's Libyan Arab Jamahiriyah, my sincere congratulations and best wishes for your personal happiness and well-being and for the further development and the welfare of the friendly GDR people.

Mu'ammar al-Qadhdhafi, leader of the Great Al-Fatah Revolution.

Ethiopia Sends Greetings

AU1110152289 East Berlin NEUES DEUTSCHLAND in German 9 Oct 89 p 11

[Greetings message from Ethiopian leaders to GDR leaders on National Day]

[Text] To Comrade Erich Honecker,

General secretary of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council:

On behalf of the Central Committee of the Workers' Party of Ethiopia, the Government, and the people of the People's Democratic Republic of Ethiopia, and on my own behalf I have the great pleasure to convey to you, and through you to the SED Central Committee, the Government, and the people of the GDR, our most cordial greetings on the festive occasion of the 40th anniversary of the founding of the GDR.

The Workers' Party, the government, and the people of Ethiopia have been following with particular interest the significant socio-economic progress in constructing socialism that the people of the GDR have achieved in the past 40 years. This important achievement has won the GDR a distinguished position among the industrialized nations of the world, and made it a reliable partner for the developing countries.

The people of Ethiopia are fully aware of the GDR's firm determination to continue and promote the cause of peace both on a regional and international level.

On this historic occasion I would like to reiterate our firm conviction that the existing close ties and the comprehensive cooperation between our two countries will continue to develop for the benefit of and in the interest of our two peoples.

On this occasion, I would also like to express my sincere and best wishes for your personal well-being and the further progress and prosperity of the fraternal GDR people.

Mengistu Haile Mariam,

General secretary of the Central Committee of the Workers' Party of Ethiopia, president of the People's Democratic Republic of Ethiopia, and commander in chief of the Revolutionary Armed Forces.

To Comrade Willi Stoph,

Member of the SED Central Committee Politburo, and chairman of the GDR Council of Ministers:

It is a great pleasure for me to convey most cordial congratulations to you on this festive occasion of the 40th anniversary of the founding of the GDR.

I am firmly convinced that the friendly relations and fruitful cooperation that have fortunately existed between our two countries will be further consolidated and strengthened for the mutual benefit of our two peoples.

On this occasion I would also like to express my best wishes for your further good health and the progress and well-being of the fraternal people of the GDR.

Fikre Selassie Wodgeress,

Member of the Central Committee Politburo of the Workers' Party of Ethiopia and premier of the People's Democratic Republic of Ethiopia.

Ortega Greets Honecker

AU1110210989 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 6

[Message from Daniel Ortega, coordinator of the Executive Commission of the National Directorate of the FSLN and President of the Republic of Nicaragua, to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, on the GDR's National Day]

[Text] Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the GDR State Council:

Esteemed Comrade Erich Honecker:

Please accept the solidarity and militant greetings of the Sandinist National Liberation Front [FSLN], the people, and the Government of Nicaragua to you, the courageous people of the GDR, the party and the government on the 40th anniversary of the founding of the GDR.

I am sure, esteemed Comrade Honecker, that the GDR will continue to be an insurmountable bulwark in the defense of the noblest and innate interests of mankind.

In the GDR and in Nicaragua the aggressive policy of the forces that are hostile to progress has not been able to weaken our front in the struggle for peace, justice, and democracy, and they will not be able to do so in the future, either.

Long live the 40th anniversary of the GDR!

Long live the friendship between the GDR and Nicaragua!

With fraternal greetings,

Daniel Ortega, coordinator of the Executive Commission of the National Directorate of the FSLN and President of the Republic of Nicaragua.

Mongolian Leaders' Message

AU1110211189 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 6

[Message from the Mongolian leaders to their GDR counterparts on the GDR's National Day]

[Text] Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council;

Willi Stoph, chairman of the GDR Council of Ministers;

Horst Sindermann, president of the GDR People's Chamber:

Dear comrades:

On behalf of the Central Committee of the Mongolian People's Revolutionary Party [MPRP], the Presidium of the People's Great Hural, the People's Great Hural, the Council of Ministers of the Mongolian Peoples' Republic [MPR], and the entire Mongolian people, we convey to the SED Central Committee, the State Council, the People's Chamber, the Council of Ministers, and to all citizens of the GDR passionate fraternal greetings and most cordial congratulations on the 40th anniversary of the founding of the GDR.

The founding of the GDR, the first worker-peasant state on German soil, realized in real life the hopes of many generations of German revolutionaries, who struggled for the working masses. Over the past 40 years, the working people and the Communists of the GDR, under the leadership of the SED, have comprehensively tapped the nature and the advantages of socialism with their creative work. It is gratifying to note that today the GDR is a dynamically developing state with modern industry, highly efficient agriculture, advanced science and culture, and a high standard of living for the people.

The steady growth of the GDR's economic capacity contributes to the international consolidation of the position of socialism. The GDR enjoys great authority in the international arena and is making an important contribution to consolidating peace and security in Europe and all over the world.

The MPRP and the Mongolian people value the relations of fraternal friendship, international solidarity, and fruitful cooperation which the MPRP and the SED, as well as our two peoples, enjoy, and we are proud of them. Our two parties are striving for a further increase in the efficiency of bilateral cooperation by making maximal use of the existing reserves in the interest of socialism and the people. The MPR will make all efforts to further deepen and develop the close relations and the overall cooperation with the GDR.

On this festive day we wholeheartedly wish you, dear comrades, and all the GDR people great successes in shaping the developed socialist society and in the struggle to consolidate peace and security.

Sh. Batmonh, general secretary of the MPRP Central Committee and chairman of the Presidium of the MPR People's Great Hural;

D. Sodnom, chairman of the MPR Council of Ministers.

Greetings From Cambodia

AU1210101489 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 6

[Message from Cambodian leaders to GDR counterparts on GDR National Day]

[Text] Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council;

Comrade Willi Stoph, chairman of the GDR Council of Ministers:

Dear comrades:

Permit us, on behalf of the Central Committee of the People's Revolutionary Party of Cambodia, the government of the State of Cambodia, the Cambodian people, as well as on our own behalf, to convey to the SED Central Committee, the government, the working people of the GDR, and to you personally our most sincere greetings and most cordial congratulations on the 40th anniversary of the GDR. The founding of the GDR is an event of historic scope. During the 40 years that have passed since this great day, the GDR people have done everything to turn a society of oppression and exploitation into a society of equal rights, without exploitation of man by man—a developed socialist society. The party, government, and the entire Cambodian people highly appreciate these great achievements.

We wholeheartedly welcome the GDR's foreign policy, which is aimed at peace, and its initiatives to make central Europe a zone without chemical and nuclear weapons, a zone of trust and security. We consider this an active contribution to preserving stability and peace in the world.

We note with pleasure that the relations of friendship between our two parties, states, and peoples are steadily deepening and developing in the interest of our peoples, of socialism, and of peace in the world.

We wish you, dear comrades, good health and much success in fulfilling your high and responsible tasks, which were set by the 11th SED Congress.

Heng Samrin, general secretary of the Central Committee of the People's Revolutionary Party of Cambodia and chairman of the Cambodian State Council;

Hun Sen, chairman of the Cambodian Council of Ministers.

Vietnamese Leaders' Message

AU1210101289 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 6

[Message from the SRV leaders to their GDR counterparts on the 40th anniversary of the GDR]

[Text] Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council;

Comrade Willi Stoph, chairman of the GDR Council of Ministers;

Comrade Horst Sindermann, president of the GDR People's Chamber:

Esteemed comrades:

On the occasion of the 40th anniversary of the GDR we convey most cordial congratulations to you, the SED Central Committee, the State Council, the Council of Ministers, the People's Chamber, and the fraternal people of the GDR.

On 7 October the GDR, the first worker-peasant state on German soil, was founded. This was a great event. At the same time, an important turn in the history of the German people and of Europe was introduced.

Over the past 40 years, the GDR people, under the leadership of the SED and by developing the steadfast traditions of the German workers class, have achieved great successes in shaping socialism in the GDR through revolutionary elan, prudence, and creative energy and in close cooperation with the Soviet Union and with other socialist countries; the GDR is a universally developed state, whose reputation and position are increasing in the international arena day by day.

With this the GDR is making an important contribution to strengthening the socialist community and to the struggle for peace and security in Europe and all over the world.

As close friends and allies, the Vietnamese people follow with joy and pride these great successes of the fraternal people of the GDR and wish them, under the leadership of the SED, further, greater successes in implementing the decisions of the 11th SED Congress and in the successful shaping of developed socialism in the homeland of Karl Marx and Friedrich Engels.

On the occasion of this great anniversary we hope that the unshakable fraternal friendship between the parties, states, and peoples of our two countries will further consolidate and develop on the basis of Marxism-Leninism and in the interest of the peoples of our two countries, of peace, and of socialism in the world.

We wish you good health, personal well-being, creative energy, and many new successes in your responsible work.

Nguyen Van Linh, general secretary of the Central Committee of the Communist Party of Vietnam;

Vo Chi Cong, chairman of the SRV State Council;

Do Muoi, chairman of the SRV Council of Ministers;

Le Quang Dao, president of the SRV National Assembly.

Lao Leaders Greet Counterparts

AU1210103089 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 7

[Message from the Lao leaders to their GDR counterparts on the GDR's 40th anniversary]

[Text] Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party [SED] of Germany and chairman of the GDR State Council;

Comrade Willi Stoph, chairman of the GDR Council of Ministers;

Comrade Horst Sindermann, president of the GDR's People's Chamber:

On behalf of the Central Committee of the Lao People's Revolutionary Party [LPRP], the Supreme People's Assembly, the Council of Ministers of the Lao People's Democratic Republic [LPDR], and all Lao people, as well as on our own behalf, we convey most cordial congratulations to you and, through you, to the SED Central Committee, the State Council, the Council of Ministers, and the people of the GDR on the 40th anniversary of the founding of the GDR.

Forty years of the existence and development of the GDR have not only been an important historical and revolutionary period for the people of the GDR, but also for the peoples all over the world. Under the leadership of the SED, the GDR has developed into a socialist country whose economy is developing dynamically, whose science and technology have reached a high level, which has a rich culture, and where comprehensive social services and other things are implemented, which makes the people's material and intellectual standard of living rise day by day. The GDR's foreign policy is a policy of close coordination with the socialist countries and with progressive forces all over the world. With this the GDR is making an active contribution to the struggle for detente and disarmament, for peace, security, and cooperation in Europe and in the world. It has worked out numerous proposals and initiatives, which are reasonable and realistic in the current period. These proposals are met with widespread international support,

which steadily raises the role and the influence of the GDR in the international arena.

The above-mentioned great achievements have brought the GDR steady progress and flourishing. At the same time, they are a great contribution to strengthening the socialist system, where, in the interest of the people who love justice and freedom, exploitation of man by man and antagonism among the classes have disappeared forever.

On this outstanding occasion we wish the GDR people, under the leadership of the SED, further successes in implementing the decisions of the 11th SED Congress.

May the fraternal friendship and varied cooperation between our two parties, states, and peoples continue to develop beneficially for the welfare of our two peoples and in the interest of peace and socialism.

Kaysone Phomvihan, general secretary of the LPRP Central Committee, chairman of the LPDR Council of Ministers;

Phoumi Vongvichit, acting LPDR president;

Nouhak Phoumsavanh, president of the LPDR Supreme People's Assembly.

Chissano Greets Honecker

AU1210101689 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 7

[Message from Joaquim Alberto Chissano, president of the Frelimo Party and president of the People's Republic of Mozambique, to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, on the GDR's National Day]

[Text] Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council:

With respect and appreciation the Mozambican people, the Mozambique Liberation Front [Frelimo] Party and the government of the People's Republic of Mozambique convey their greetings to the 40th anniversary of the founding of the GDR.

The GDR has an excellent revolutionary heritage, which is clearly expressed in the steadfastness of its best daughters and sons, such as Rosa Luxemburg and Ernst Thaelmann, as well as of other outstanding revolutionary leaders.

The heroic struggle against militarism and reaction is eloquent proof of the determination of the GDR people in its struggle for the victory of the cause of freedom, justice, and peace.

These legitimate and just hopes were realized with the proclamation of the GDR on 7 October 1949, by its first president, Comrade Wilhelm Pieck. Since then, the GDR people have made valuable contributions to the just cause of the peoples who love peace and freedom. October 7 1949 was the result of the experiences gained by the German revolutionaries in previous struggles. The unification of the revolutionary movement in April 1946, and the subsequent founding of the SED were decisive for the establishment of the first German worker-peasant state.

Today, the people of the socialist German state are using all their strength with steadfastness and determination to make sure that war or the danger of war will never again start from German soil and they are thus standing guard for peace that is so passionately desired in the world.

The Mozambican people, under the leadership of its Frelimo Party, are paying tribute to the great successes that have been achieved by the GDR over the past 40 years. Today, the GDR is a modern socialist industrial state with a highly developed economy and with cadres who are able to successfully master the scientific-technological revolution.

We gratefully remember the energetic, consistent support and solidarity granted by the GDR people and the SED to the Mozambican people since the national liberation struggle and which today continues in the relations between our two peoples and states.

We are certain that, within the framework of the treaty on friendship and cooperation between our two states, we will be able to expand and consolidate our cooperation in the various fields for the mutual benefit of our two peoples and to thus contribute to promoting peace and stability in the region of southern Africa.

The participation of a high-ranking SED delegation in the Fifth Frelimo Congress was another contribution to the struggle of the Mozambican people against the enemies of its sovereignty and integrity.

Our people know very well the horrors and devastating consequences of war and know that peace is a valuable asset, which is inseparably linked with social development and prosperity. In this connection, we are moved by the desire to struggle together for the preservation of world peace and for general and complete disarmament.

On behalf of the Frelimo Party, the people and the government of the People's Republic of Mozambique, as well as on my own behalf, I convey to you, Comrade Erich Honecker, and, through you, to the SED, our sincere and most cordial congratulations on the 40th anniversary of the founding of the GDR.

On this festive occasion I convey to you, esteemed Comrade Erich Honecker, sincere wishes for long life, good health, and success in exercising your honorable, high function.

Sincerely,

Joaquim Alberto Chissano, president of the Frelimo Party and president of the People's Republic of Mozambique.

Greetings From Iran

AU1210100289 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 7

[Message from Ali 'Akbar Hashemi Rafsanjani, president of the Islamic Republic of Iran, to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, on the GDR's National Day]

[Text] His excellency, Mr Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the GDR State Council:

On the occasion of the National Day of the GDR, I would like to congratulate you, excellency, the government, and the people of the GDR.

I hope that the friendly relations which exist between our two countries will continue to expand and deepen.

I wish you, excellency, success and I pray to the Almighty God for the welfare and flourishing of the GDR people.

Ali 'Akbar Hashemi Rafsanjani, president of the Islamic Republic of Iran.

Iraq's Husayn Greets Honecker

AU1210100489 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 7

[Message from Sadam Husayn, president of the Republic of Iraq, to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, on the GDR's National Day]

[Text] His excellency, Mr Erich Honecker, chairman of the GDR State Council:

On the occasion of your country's National Day, it is a pleasure for us to convey to you, excellency, good wishes and to wish you personally good health and happiness, to wish the GDR people progress and well-being, and to wish the relations of friendship and cooperation between our two countries further development.

Sadam Husayn, president of the Republic of Iraq.

Catholics Send Greetings

AU1210104089 East Berlin NEUES DEUTSCHLAND in German 10 Oct 89 p 2

[ND report: "Impressed by the GDR's Consistent Antifascist Position"]

[Text] Berlin—The Presidium chairman of the Berlin Conference of European Catholics has sent the following letter to GDR State Council Chairman Erich Honecker:

Dear Mr Chairman:

The Presidium of the Berlin Conference of European Catholics conveys to you and, in your person, to the state leadership and the whole people of the GDR, warm greetings and good wishes on the 40th anniversary of the founding of the GDR.

Our Berlin Conference of European Catholics, where priests and laymen from 25 countries of the continent work for peace and justice, was founded in the GDR capital 25 years ago and has since had its seat there. It is from Berlin, which is honored as a city of peace, that we want to contribute to organizing a European home where all peoples and countries of this continent live together in peace and practice active solidarity with the peoples on the other continents.

We have closely experienced the GDR's policy for 25 years. We have observed with interest the internal developments in this country, the alliance of the various social forces, and the trusting cooperation between Marxists and Christians. All of this constitutes a stable basis for the democratic development of this society.

We have observed the GDR's foreign policy with particular attention. This foreign policy is oriented toward preserving and ensuring peace not only in words; based on the readiness for compromise, it has for a long time also been marked by constructive proposals, open dialogue, and international agreements on the promotion of common security and cooperation in the interests of world peace. The social forces contribute their share to make words agree with deeds in the GDR. In this way, the GDR has won high international prestige and has become a predictable factor in European politics. What is particularly impressive is the GDR's consistent, antifascist position which is also aimed at preventing war from ever emanating from German soil again.

In implementing these peace prospects, the GDR has from the start accompanied and backed our peace forum of European Catholics with benevolence. We would like to sincerely thank the state leadership for this on the occasion of the anniversary of the founding of the GDR. Thus, the GDR forms part of other European countries that acknowledge and support the contribution to peace made by European Catholics. Being a non-governmental organization which has been awarded the title of honor, "ambassador of peace," by the UN secretary general, we appreciate that our peace mission which is oriented toward the Gospel of Jesus Christ and the doctrine of the Church also meets with the approval and promotion by various countries.

The Presidium of the Berlin Conference of European Catholics takes the opportunity of the 40th anniversary of the founding of the GDR to convey to you, Mr Chairman, the government, and the whole people of the GDR best wishes for your well-being and peace.

Yours very sincerely,

Franco Leonori

Presidium chairman

USSR's Medvedev on Changes in Hungary

LD1010111189 Budapest Domestic Service in Hungarian 2100 GMT 9 Oct 89

[Excerpt] [Announcer] Jozsef Barath [Budapest Radio's Moscow correspondent] has spoken to two well-known personalities, two parliamentary deputies, and asked them their opinion about the Hungarian changes. First we hear Roy Medvedev, renowned historian.

[Begin recording] [Medvedev, in Russian, fading into Hungarian translation] This is a very correct decision in Hungary, whose traditions are linked to the West, where the strengthening of the Communist Party was rather an external, artificial, development, rather than the result of an organic development. Let us admit that when the Soviet Union liberated Hungary, there were not many communists in this country; a few thousand people, from among whom they put into the party's and the country's leading positions probably not the best, but virtually the worst people, the worst forces. They compromised the entire communist movement in Hungary. The mass oppression could not be left without a response.

The events of 1956 followed in a direct line from those things. The social explosion of elemental force was again quelled by an external force. It is a natural thing that all this had to get to the surface again sometime. The moment of the transformation in the Soviet Union was an outstanding occasion for this. There is a need for a powerful change, for a change of the political system. The Hungarian Socialist Party can promote this by electing new leaders.

What Hungary needs is to find its own model. Neither the Western nor the Soviet model completely satisfies its conditions. As for what this will be like in the political or the economic sense, it would be hard to predict. The fact that these processes are taking place peacefully in Hungary, without the dangerous explosion of passions, without an armed struggle, demonstrates the maturity of the Hungarian people, the Hungarian leaders. I like this. [end recording] [passage omitted]

CPSU's Shishlin Cited on Relations With HSP

LD1110134189 Budapest MTI in English 1219 GMT 11 Oct 89

[Text] Moscow, October 11 (MTI)—'The Soviet leadership was aware that the Budapest congress would take major steps towards renewing the party, its policy and working methods. I think the changes should not be dramatized, because the renewal of society is a really profound process', Nikolay Shishlin, deputy head of department at the CPSU CC, told an MTI correspondent.

In a telephone interview, Mr Shishlin said that it was premature to give a comprehensive evaluation, since the congress documents need to be analysed thoroughly. Mr Shishlin emphasized that the efficiency of the congressional decisions would be determined by practical efforts and actions.

Concerning the new name of the party and the eventual foundation of successor parties, the Soviet politician said that he didn't see any extraordinary, unusual development here. 'As far as I can judge from the manifestations made at the congress, the Hungarian Socialist Party regards itself as heir to the communist and social democratic traditions and the labour movement as a whole', Mr Shishlin said.

'I am confident that the CPSU will maintain relations with all Hungarian parties that strive for good relations and cooperation with the CPSU. In any case, I don't think we will be revising our relationship with the Hungarian Socialist Party in any way', he went on.

Assessing the make-up of the HSP Presidium, Mr Shishlin said that he knew several members personally. 'These people really are advocates of radical measures aimed at renewing Hungarian society. This holds true of Rezso Nyers, Miklos Nemeth and Gyula Horn, not to mention Imre Poszgay. I think the party and the people elected into the Presidium are aware of their responsibility to the country and society as a whole, since the time has come for concrete deeds and actions,' Mr Shishlin said in conclusion.

Nyers Interviewed on Changes, USSR

PM1110150889 Paris LE FIGARO in French 7-8 Oct 89 p 3

[Unattributed report giving "extracts" from an interview granted to POLITIQUE INTERNATIONALE by the then Hungarian Socialist Workers' Party Chairman Reszo Nyers on the "eve" of his party's congress—date and place not specified]

[Text] [Interviewer] Are there limits beyond which an East European communist party cannot go with regard to the USSR?

[Nyers] Certainly. We cannot follow an openly anti-Soviet policy here in Eastern Europe. The essential thing is to define precisely what might be regarded as "anti-Soviet." Under Stalin, Brezhnev, or even Chernenko, any demonstration of national independence was described as "anti-Soviet." Things have now changed: anti-Sovietism only covers stances adopted in the USSR's internal affairs and giving support to those who, from inside or abroad, threaten the USSR's interests.

[Interviewer] Do you think that the Kremlin is prepared to tolerate a multiparty system in your country, even if the Hungarian Communists lose the majority?

[Nyers] It is conceivable....

[Interviewer] But it is not certain....

[Nyers] Yes, provided Gorbachev prevails once and for all....

[Interviewer] Is it possible to rule out changes of political line or leaders in the USSR, whatever the scenario?

[Nyers] No, this possibility cannot be ruled out completely. At present, events have not yet gone beyond the critical threshold of irreversibility in the USSR.

[Interviewer] Is your ultimate ambition to revive capitalism?

[Nyers] We will not restore capitalism. Instead, we would like to create a noncapitalist market economy, comparable to a mixed economy. It would include both collective property and strictly private property.

[Interviewer] You are chairman of the Hungarian Socialist Workers' Party [MSZMP]. What percentage of the votes would make you think that you had suffered a resounding defeat in the forthcoming election: 20 percent, 30 percent?

[Nyers] The party will only suffer a resounding defeat if its various components engage in an internal battle. If we clarify the past, as we intend to do shortly, if we inform the voters about the party's real nature, the MSZMP will certainly continue to be a prestigious party. It is unlikely that it can obtain an absolute majority. It may even not be the winning party, but, at all events, it will be one of the biggest.

[Interviewer] Should it remain in the government, even if it is in a minority?

[Nyers] Yes, I think that it should shoulder government responsibilities to ensure that the democratization process, which it started, can succeed.

[Interviewer] What is the root of the disagreements which separate the East European parties?

[Nyers] They stem from the fact that pluralism is unequally applied in Eastern Europe, and that it is not regarded everywhere as the natural state of affairs. The Hungarians think that it is normal to have an antigovernment opposition which expresses itself in the press and in the National Assembly.

Kovacs Speaks on Relations With USSR, Bloc

LD1110134489 Budapest Domestic Service in Hungarian 1300 GMT 11 Oct 89

[Text] Hungarian-Soviet relations are problem-free; however, this does not mean that Moscow identifies in everything with the Hungarian solutions. This was said by Laszlo Kovacs at the session of the National Assembly's Foreign Affairs Committee. The state secretary for foreign affairs also said that further discussions are necessary between Budapest and Berlin, because the GDR continues to bear the Hungarian Government a grudge over the settlement of the refugees affair. The GDR would like the provisions of the 1969 passenger traffic agreement to remain in force, in other words, that East Germans could not go to the West via Hungary. All the same Berlin is ready to renegotiate a few points of the agreement.

Further on Ties

LD1110180989 Budapest MTI in English 1530 GMT 11 Oct 89

[Text] Budapest, October 11 (MTI)—Hungary's tense relationship with a few countries in the region is symptomatic of the fact that it had no real central-Eastern European policy over the past forty years, Laszlo Kovacs, under secretary of state at the Hungarian Ministry of Foreign Affairs, told Parliament's Foreign Affairs Committee on Wednesday [11 October]—morning.

Mr Kovacs went on to analyse Hungary's links with the socialist countries and its relationship to the advanced states. He said Hungary, a member of the Warsaw Treaty, signed a document in April, 1985, on extending the effect of the treaty for 20 years, so it would only be possible to withdraw from the organization before April, 2005, in the face of a radical change in international circumstances, such as NATO's dissolution. As far as two-way ties are concerned, Hungary and the Soviet Union have a difference of views on various issues, but nothing which causes any problems. The Soviet leadership has no reservations about the current changes in Hungary.

The leaders of Poland and Yugoslavia think along similar lines when it comes to the need for penetrating socio-economic reforms. Bilateral relations with these nations are free from tensions and problems.

Although Bulgaria's approach to socialism differs considerably from Hungary's, there is no conflict between the two countries, proving that differences do not necessarily lead to polemics.

As to the socialist states outside Europe, Mongolia, Laos and Kampuchea are following the Hungarian developments, especially the economic reform process, with interest. The leaders of Cuba, China and Vietnam do not see eye to eye with their Hungarian colleagues on several points, but this has not caused any tension in bilateral relations.

On the other hand, the under secretary of state went on to say, Hungary's relations with the German Democratic Republic, Romania, Czechoslovakia and the Democratic People's Republic of Korea are laden with tension. One source of conflict is that leaders of these countries oppose moves taken so far on the road to democratization in Hungary, such as efforts to create a mixed market economy and political pluralism, but concrete reasons also play a part. The guiding principle for Hungary in resolving tension is that there can be no talk about regression, unanswered attacks and the unilateral relegation of Hungarian interests to second place.

A direct cause of conflict with the Democratic People's Republic of Korea was Hungary's decision to establish diplomatic relations with the Republic of Korea, although the move was nothing nore than the abandonment of unilateral solidarity. A period of sharp disputes was followed by a cool relationship between the two countries.

Relations with Romania have been burdened by the criticism of Romania's minority policy throughout the past 40 years. The Hungarian leadership has spoken out against village razing at international forums, and not only during bilateral talks behind closed doors. Although the policy of forcible assimilation continued, Romanian Hungarians could feel Budapest's sympathy, and domestic public opinion saw that the government espouses the cause of Transylvanian Hungarians. In addition, the international public realized that Hungary sets no territorial claim to Romania, contrary to the Romanian explanation for the deteriorating relations.

In Hungarian-Czechoslovak relations, the 1968 events are interpreted in a different way, and the current tension is associated with the Gabcikovo-Nagymaros hydroelectric dam project.

At the root of the conflict with the German Democratic Republic is the approach of the Hungarian Government to the issue of the GDR citizens heading for the FRG. Mr Kovacs said that current talks with GDR leaders reflect agreement that the "refugee problem" should be treated separately from other areas of bilateral relations.

In connection with Hungary's ties with the West, the under secretary of state said Hungary was striving to render the favourable processes irreversible.

Journalist Describes Expulsion From Leipzig

LD1010211189 Budapest Television Service in Hungarian 1830 GMT 10 Oct 89

[Text] Three Hungarian journalists were expelled from Leipzig yesterday evening. Laszlo Drogman, MTI's Berlin correspondent, one of those affected, provides the background.

[Begin Drogman recording] We were at the scene watching the traditional Monday demonstration with Pal Lederer and Gabor Lambert in the inner city of Leipzig last night. Around 2100 hours we went to the Zeipzig main post office to file our despatch on the event via the phone. We stepped out of the post office at 2120 hours and went to my car parked nearby. At that moment two policemen appeared from the bushes nearby and asked us to identify ourselves. Looking at our papers they asked why we were staying in the town. Satisfied with our reply they said goodbye and returned to their patrol car parked between the trees. We had not even got in the car when a minute later they walked up to us again and informed us that we had to leave Leipzig immediately. Our requests for an explanation or reason were ineffectual. This is a higher order from the People's Police and you must obey this without delay, they said, then saluted, turned and left. [end recording]

Daily Recounts Refugee Talks With GDR's Ott

LD0610094389 Budapest MTI in English 0755 GMT 6 Oct 89

[Text] Budapest, October 6 (MTI)—Speaking about the talks Harry Ott, deputy foreign minister of the German Democratic Republic, held in Budapest on Tuesday and Wednesday, Istvan Oszi, Hungarian deputy minister of foreign affairs, said in an interview with NEPSZABADSAG:

"We agreed that the emigration affair should not escalate to the extent so as to damage our relations, and that its international implications do not curb the favourable European processes. As the relationship between the two German states influences the whole of Europe, it is an extensive interest that this relationship does not deteriorate. The Hungarian party repeatedly stressed that the problem of those who wish to leave has to be settled by the two German states."

Answering a question about the possibility of the GDR's limiting travel to Hungary, Mr Oszi pointed out, "the possibility exists in principle. At the same time, the aim of our countries is the continued expansion of ties, which is partly why we have separated this issue from other areas of Hungary-GDR relations."

Asked whether the resettlement case will not disturb the two countries' relationship, Mr Oszi stated, "there is every hope that this will not be the case, and we carry on further negotiations in this interest. The GDR wants the same, and early settlement is also a common interest. In keeping with our principal decision, the Hungarian border remains open to GDR citizens wishing to resettle.

Editorial Commemorates GDR Anniversary

AU1110092289 Budapest NEPSZABADSAG in Hungarian 7 Oct 89 p 14

[Editorial by Pal Lederer: "Berlin, October 1989"]

[Text] Berlin. Much associations have been made with the name of the city in our century. For a while, Berlin was the synonym of militarism and imperialism, and the two most barbaric world wars in the history of the world started here. Berlin was the cradle of fascism and its last stronghold; but it was also the place where the war ended. However, following this, Berlin still did not disappear from the international press headlines for a long time. Cold war again threw Berlin in the center of world politics and Berlin, with its "wall," became a lasting and sad image of division and confrontation in Europe. Later, and this had to be so, Berlin became one of the starting points of all-European cooperation, and this historical city which has been torn into pieces for close to 50 years continues to be the political barometer of our continent, and to some extent of the whole world. Berlin is more sensitive to climate changes, irrespective of their intensity, and the radiation coming from Berlin is also always special.

This is so now when Berlin, the capital of the GDR, is again in the focus of international interest, and not only because the GDR is celebrating its 40th anniversary among festive circumstances and with the participation of a series of prominent guests. This great interest is manifested not only for its results of 4 decades achieved at a very big price—a healthy economy built on the ruins of war—but also for the German tomorrows, and coming years and decades. Precisely because of the special, and specially sensitive geopolitical situation and historical records, nobody is indifferent to the direction of the German history that has always been in the focus of world processes.

The political residue of the dramatic events of this year's long summer has brought alarming concepts to the surface, concepts that in our euphoria over detente and restructuring, we thought were fossils left here as a memento at most. Noises reminiscent of boot stomping and a style of a socialism that needs to be exceeded confronted each other, and it seems as if suddenly the monotony of black and white again replaced the so much desired variety. It is as if an unacceptable alternative were replacing the compromises achieved with great pains on both sides and the dialogue that built bridges and broke walls: the alternative of mutual accusations, abuse, and, finally, the specter of turning their back on each other, and confronting each other.

However, in the middle of the turn of the century, Europe cannot allow itself the luxury of breaking the longest peaceful—albeit never calm—period in its history by a self-destructive confrontation of well-predictable consequences. As is proven by its tragic history, this continent is bound to cooperate and advance together. This verdict of history is particularly valid for the Germans' land where there have been two states for 40 years, and this fact is the most stable pillar of European security, and calm and peace in Europe greatly depend on the short-, medium- and long-term relations between the two German states. They have a great common responsibility, and the latest "internal German" events have proven this again, and their coexistence can also be determined only by this responsibility.

Berlin is again celebrating on 7 October 1989, and everyone who is not indifferent to the fate of Europe and the world at large expects signs and voices from the GDR capital on this day which increase confidence in Berlin's policy at home and abroad alike, and which clearly signal that Berlin accepts its share of this responsibility.

Socialist Party Presidium Holds Founding Session

LD1110151189 Budapest Domestic Service in Hungarian 1100 GMT 11 Oct 89

[Text] The Hungarian Socialist Party's [HSP] 24-member Presidium has been holding its founding session since 0900 today. So far we have received no substantive information about the discussion.

Member Comments on Session

LD1110224789 Budapest Domestic Service in Hungarian 2100 GMT 11 Oct 89

[Interview with Jenoe Kovacs, HSP member, by correspondent Istvan Szelloe on 11 October; place not given—recorded]

[Text] The first session of the Hungarian Socialist Party [HSP] Presidium ended in the evening hours. Jenoe Kovacs, a member of the body, spoke about the meeting to Istvan Szelloe.

[Kovacs] One of the issues was the question of the assets which are handled by the party. The decision here is that alongside the creation of the modest and minimal conditions needed for the functioning of the new party, the rest of the property which is the responsibility of the party must be given back to the owner, which is to be earmarked in the councils and the government.

Another such important political resolution dealt with the Workers' Guard. The Presidium confirmed that it will create an unarmed organization.

[Szelloe] Was there any discussion of personnel issues at the Presidium session?

[Kovacs] The decision was taken that Csaba Vass and Bela Fabry would represent the HSP at the medium-level political negotiations, and Jozsef Pal [as heard] at the economic negotiations. All three are members of the Presidium. The Presidium gave a district secretarial assignment to Pal Vastagh.

The question of self-management and the political standpoint pertaining to this was discussed. We consider this a cardinal question from the point of view of the creation of a future, democratic Hungary, for the multiparty political set-up in itself is not a guarantee of a democratic political life and the fair distribution of possessions. So the Congress and now the Presidium too has pledged faith in the real political and economic strengthening of local self-management. And, it will make this standpoint public in the near future.

[Szelloe] And regarding organizational issues?

[Kovacs] The Presidium considers this question to be of great importance, for it is a question in essence of reorganizing a party, or if you like the creation of a new party. It took the stand that beyond the time limits given in the congress resolution, the local party organizations must by the end of November [as heard], and inasmuch as the local organizations want, regional party conferences must be held by 20 December.

The bodies which have been elected earlier will remain in legal continuity until some kind of new body, chosen by the HSP, arises to replace them; or if nothing comes into their place, until the forum competent to do this, declares their cessation.

This is closely linked to the fact that according to the stance of the Presidium, the central apparatus—whose name according to the statute is now the National Office [Orszagos Iroda]—must be reorganized by 15 November. The local and regional apparatuses must be restructured within 1 month of the reorganization of local and regional party organs.

Leaders Interviewed on New HSP, Congress

Nyers on 'Compromise'

AU1010111489 Vienna DER STANDARD in German 10 Oct 89 p 3

[Interview with former MSZMP Chairman Reszo Nyers, by Tamas Oltvanyi: "This Compromise Will Probably Last Only for a Short Time"—in Budapest, date not given]

[Text] Budapest—The rival currents within the newly founded Hungarian Socialist Party only managed to achieve agreement on some questions. Reszo Nyers (66), former MSZMP chairman played a key role in creating understanding in this process. Tamas Oltvanyi conducted the following interview with him.

DER STANDARD: How did you experience the fact that you had become the exclusive figure of integration at this congress? This was reflected by the fact that you were constantly being asked for autographs in the foyer.

Nyers: These white pieces of paper are of symbolic value for me: Our people want to have everything cleared up for themselves. From an ideological point of view, the new party certainly opens up a new chapter and, at the same time, it means the end of the old Stalinist era. By the way, I do not feel like a politician who is floating high above the congress, so to speak, settling all the problems. I think the reason I was the center of attention is that there has simply existed great tension within the party during the past few days. In this situation the delegates were looking for a source of tranquility, which I represented. My person has become a sort of lighthouse. However, history tells me that one can play this role only for a certain time.

DER STANDARD: You are not the type of person who would be able to clearly dominate a party, which has been shown by your long career as a politician.

Nyers: Well, I am a politician with the mentality of a political scientist, who is of more use giving advice than leading a party. Nevertheless, in the current situation I had to take over the leadership.

DER STANDARD: One gets the feeling that the compromise, which has been achieved with your personality, is the result of the approaching first democratic elections. What will happen afterwards? Are there not at least five big currents within the newly founded Hungarian Socialist Party?

Nyers: The silent majority, which does not indulge in political discussions, will spontaneously decide in the elections. Today nobody can know what this decision will be. What will happen here until the elections take place is of great importance . The compromise which we have achieved will probably hold only for a rather short time; nevertheless, we need this time to create the foundations of the new political life in Hungary. Maybe this party will have to continue its struggle for identity, maybe it will split up even further; I do not know all this at this stage. However, until then this new party has a historic task: It must help Hungary to finally overcome dictatorial methods and thus reach the stage of real democracy.

Nyers Views HSP

PM1110151289 Rome LA REPUBBLICA in Italian 10 Oct 89 p 2

[Interview with Hungarian Socialist Party Chairman Rezso Nyers by Andrea Tarquini on 9 October; place not given]

[Text] Budapest—"It is not easy to govern a new party but I believe we will succeed. Will it be difficult to manage a party split into factions? Of course we are approaching an extremely difficult period, but daily practice in democracy will teach us how to deal with it." This was said by Reszo Nyers in the interview that he granted us yesterday afternoon—the first after his victory.

[Tarquini] Dr Nyers, after the orthodoxes, have you defeated the radical reformers as well?

[Nyers] This is a victory for reforms, I repeat, not my personal victory. Sometimes personal issues emerge but, looking at the social objectives of the reform, I know of no platform more radical than mine and my reformist views. Some people are more radical in propaganda and shout louder, but not substantive differences [sentence as published].

[Tarquini] One what points do you differ?

[Nyers] Basically, three points: first, the assessment that the whole historical period of the past 40 years is negative. I do not agree with this, as an academic or a political scientist—in short, as a scholar. Since the war there have been several historical cycles—let us say, seven or eight—some excellent periods, others very negative. To say that it was all negative—here I am talking as a scientist—is not genuine radicalism. Second, if it is declared that the Hungarian Socialist Workers Party must disband and that its members must under no circumstances become members of the new socialist party, this would be a radical but also a very antidemocratic method, without consulting the 720,000 members of the outgoing party. Third, the existence of party factory cells: It is an abstract method to resolve this by decree instead of democratically awaiting the new law on parties. In any case we have already tried cells from every leading role in factories and ministries [sentence as published]. The radicals did have a positive role on one

issue: They did help to resolve the Imre Nagy issue, though perhaps they went rather too far.

[Tarquini] You said some months ago that, as a veteran, you would be handing over to the youngsters. Why are you now running again as a leader?

[Nyers] I will retire as soon as possible. Who knows whether in 2 months' time or when? I would also have liked to tender my resignation, but it was politically impossible in the present situation. The new party and its leadership must, however, be definitely rejuvenated as soon as possible.

[Tarquini] Are you not in danger of becoming the leader of a party approaching an electoral defeat?

[Nyers] I hope I will not be the one to take the party in that direction. Under my leadership, and a few months away from the elections, we can either improve our image slightly or worsen it very badly. The latest opinion polls among nonmembers in Budapest granted us 20 percent of the votes. But perhaps they are too optimistic.

[Tarquini] Do you fear a Polish-style defeat?

[Nyers] I believe and hope that the result will not be like Poland's. The economic situation here is certainly not as serious and the reformist faction within the party has always been stronger.

[Tarquini] When will you have your first contacts with the Socialist International and the Western Left?

[Nyers] We already have them—and very good they are too—with the Italian Communist Party and Socialist Party and the German, Austrian, and Finnish Social Democrats, and relations are also improving with the Christian Democratic Union. We hope the process of stepping up contacts will be very rapid.

[Tarquini] You are hoping for good relations with the ruling reformist Communist Parties, such as the Soviet Union's. What about with the orthodox ones, such as those in charge in Prague and East Berlin?

[Nyers] In Europe we have very tense relations with only one Communist Party—Romania's. As for the rest of the world, we recently distanced ourselves resolutely from the CPC. With the parties of the GDR and Czechoslovakia there are many problems on the issues of reform, but with regard to relations within CEMA and the Warsaw Pact, our relations are not bad.

[Tarquini] Can the Soviet system of alliances tolerate the Hungarian reform's being faster than the Soviet perestroyka?

[Nyers] It must tolerate it: Domestic options must not become a factor in foreign relations. I am not saying that there are no dangers here, but let us take the example of our open borders: It was an autonomous decision, as it should be. We could have consulted more with the GDR, but not on the decision to open the borders, which was right and proper. If at all, then with a view to a better understanding of the reforms.

[Tarquini] Is the new party not being formed too late, in view of the economic crisis?

[Nyers] A good question—so good that not even I have the answer, though I often ponder it. Here we are and here we must struggle, and above all believe in democracy and in the country's future.

Grosz Against HSP

AU1110160089 Budapest NEPSZABADSAG in Hungarian 9 Oct 89 p 6

[Interview with Karoly Grosz, by unidentified reporter: "Karoly Grosz: I Have No Ideological Reservations"—in the Congress Center in Budapest on 8 October]

[Text] Karoly Grosz met with his old comrades in the congress break. Following their meeting, we asked Karoly Grosz to answer a few questions.

[Question] Is it true that you have not voted for the new party?

[Grosz] Yes, that is true. I am indeed one of those 159 delegates who voted against the new party.

[Question] Judging from your speech and the congress position on the Hungarian Socialist Party, one cannot find essential differences between the two. Therefore, many people do not understand your voting against the new party.

[Grosz] I have very little against the things stipulated in the written position. More precisely, all I have against it is that the text is not clearcut. I do not have ideological reservations. I am only against the obscure formulations.

I cannot accept that the congress debate is on how to connect the market and social care. One thousand and two hundred people are not a forum that can decide this issue, because expert scientists will also argue about this for years.

I do have reservations, though, and the name of the party is one of them. In my view, it was a mistake to also vote about the name change yesterday, along with the vote on the document. An alternative was submitted in the original document. As a Nograd County delegate, I was in a difficult situation because the county party conference decided not to support the name change. I considered this to be an obligation. I would have voted for the content of the party position with two hands, but I am against the name change. I do not find it a correct solution that the party chairman expressed his opinion before the debate. The party chairman is a highly distinguished politician and I respect and support him. However, think it over: What self-confidence can a nonprofessional politician have in expressing his doubts after such a high-level speech of great effect? I would have used the opposite order. I would have given the people time to express their opinion, and then we would

have perfected the text, and then I would have asked the delegates to support this text. My third objection is that the chairman's speech did not quite cover the content of the position document. The roots from which the ideas are stemming appeared much more markedly in the chairman's speech than in the document. I am not sympathetic with the haste with which we adopted this document. If we had the time and energy to prepare this congress in an unparalleled democratic way—and I say that fully aware of my responsibility—why did we not have time to distribute this document among the delegates a day earlier and vote the next morning? During the evening, every group of delegates could have discussed the document and would have presented their observations in writing. Why was it necessary to improvise and introduce text modifications there?

[Question] Should we not list the dilemmas and the counter- arguments? Or has the "ship already left?"

[Grosz] This is precisely what happened. A decision emerged yesterday. Now everyone will choose according to his individual faith, mind, and conviction. I make no secret of my future steps. Despite my vote against the party, if this congress elects a leadership that guarantees that the left-wing character of this program is implemented in politics, my place will be here. I can say that because I told the party presidium 1 month ago that I would not accept any position in the leadership. However, if I do not find any guarantee for this, I will find myself another party. This is part of a multiparty system, it is not alien to such a system, and I think it is not a heresy either.

Straub on 'New Style'

AU1110172589 Budapest NEPSZABADSAG in Hungarian 9 Oct p 3

[Interview with President Bruno F. Straub, by "V.P": "Bruno F. Straub: This Is A Totally Different Style"—in the Congress Center in Budapest on 8 October]

[Text] We first saw President Bruno F. Straub among the guests during the third day of the congress proceedings, on 8 October.

[Question] Mr President, when did you return from the GDR?

[Straub] I returned late in the evening on 7 October, and now, when I found a little time, I came in to the congress. All in all, I have been here for only 1 hour.

[Question] What would you say if you had to sum up this 1 hour in one sentence?

[Straub] I would say that this is a totally different style of congress and it radically differs from the similar events to which I grew accustomed.

[Question] Personally, what do you expect from this congress?

[Straub] I think that the most important thing is that the delegates work out a clear program that everyone understands. We do not need an intellectual essay, but clarity. In addition, I also think that it would be beneficial for the country if not too many party members were to leave the party. I also expect to see many new figures in the new leadership, people I do not know yet and who are new political figures. One of life's normal demands is that such a situation also requires new leaders. Obviously, such a natural process should not be carried out by force.

[Question] In conclusion, what are your impressions from your trip to the GDR?

[Straub] One cannot deny the results achieved by the GDR in economic development, but one can also feel the tensions. The participants in the torchlight demonstration of young people—which was really very enthusiastic—came mainly from the provinces. One could notice that, in the given situation, the Gorbachev-cult, or Gorby-mania as they call it, was very strong among these young people. I had the opportunity to hold talks with leading foreign figures, including the new Polish foreign minister, whose erudition and knowledge of facts made a great impression on me. In party leader Rakowski's words, one could feel the great interest and attention with which Warsaw is following the activity of this congress and the Hungarian developments in general.

Szokai, Tabajdi on Party

AU1110174189 Budapest NEPSZABADSAG in Hungarian 9 Oct 89 p 6

[Interview with Csaba Tabajdi of the Reform Alliance, and Imre Szokai, deputy head of the Department of International Relations of the MSZMP Central Committee, a guest at the congress, by unidentified correspondent: "Szokai—Tabajdi: On the Pitfall Situation"—in the Congress Center in Budapest on 8 October]

[Text] We met with Csaba Tabajdi and Imre Szokai in one of the breaks and asked them whether the rumor is true that both agreed with Karoly Grosz in voting against the document on the nature of the party.

[Szokai] One can highly appreciate that Karoly Grosz has been true to himself. He did not play the role of a chameleon. Nor did he play the role of the great renewer. Many people did that.

[Question] Whom do you refer to?

[Szokai] Among others, I refer to those who often led the renewal and were "puppets" of reforms in the past 30 years.

[Question] Would you give us some names?

[Szokai] For example, Janos Berecz. I agree with Imre Keseru who told NEPSZABADSAG that Berecz had the right to change from Saul to Paul, but he did not have the right to lead the Saul-party as Paul. Such "renewal" only increases the reservations toward the Hungarian

Socialist Party [HSP]. I do not like politicians who are constantly "renewing" and who assisted in or made wrong decisions in the last 30 years. If these people play leading roles in the HSP in the future, how will this new party become trustworthy?

[Tabajdi] It is a fact that Karoly Grosz' prestige has gone to pieces in recent months. We have never had any personal conflict. However, we have had and still have differences of opinion. I fully agree with my colleague Imre Szokai that, contrary to the many people who are changing colors, one can only appreciate Karoly Grosz' consistency when he voted against the party. If some other people had not followed Karoly Grosz in this, a tremendous pitfall situation could emerge. Then, Hungarian society would not trust this party.

[Question] You voted for the document on the establishment of the HSP on 7 October.

[Tabajdi] Yes, I did, because this document is suitable for the creation of a left-wing socialist party. But the HSP has excluded the reform communists. I will remain with the reform communists.

[Question] It appears from several positions of the HSP that the reform communists have a place in the new party.

[Tabajdi] Even NEPSZABADSAG writes in its 8 October issue that the reform communists do not have a place in it. (This is the opinion of a delegate, and not of the newspaper—the Editor)

[Question] Do you think that a split is inevitable?

[Tabadji] This has already been decided.

[Question] Can you imagine cooperation between the HSP and the MSZMP?

[Tabajdi] If there is no such cooperation, the left wing will disperse.

[Question] Are you sure that you will not join the HSP?

[Tabajdi] Yes, I am. I do not want to "compromise" the new party.

Szolnok Party Officials 'Object' to HSP

LD1210053189 Budapest Domestic Service in Hungarian 2100 GMT 11 Oct 89

[Text] In county Szolnok, they have questioned, from several points of view, the weekend decisions of the HSWP [Hungarian Socialist Workers Party] and its successor party the Hungarian Socialist Party [HSP].

The local HSP first secretary gave information about all this to representatives of the media. He said that many people object to the compromises at the congress, while others question whether the delegates had the mandate to dissolve the HSWP. They also declared that they will radically reduce the county Szolnok apparatus of the HSP, and will deal with the use of the party headquarters for public purposes.

Opposition Participates in Assembly Committee

LD1110203389 Budapest Domestic Service in Hungarian 1500 GMT 11 Oct 89

[Text] For the first time one of the representatives of the opposition has participated in the session of the Foreign Affairs Committee of the National Assembly. Miklos Martin-Kovacs has spoken to him, the member of the Independent Smallholders' Party, Imre Boros. He also talked to Janos Berecz:

[Begin recording] [Berecz] It is particularly important that they [opposition] should attend the session of the Foreign Affairs Committee because national interests must be made to prevail, must, most of all, in international relations and the opinion of the Opposition Roundtable has a place and relevance in these links.

[Boros] We are glad to be able to participate in the committee sessions—we take part in all committee sessions, primarily with the intention of convincing the members of the committees about the need to adopt cardinal laws. The adoption of these laws is the most important and most timely issues at the moment because, if for any reason these would not be adopted or if the (?country) should cary out some kind of significant amendment to these cardinal laws, then an unprecedented distrust would appear in Hungarian public opinion, in the opposition and it is conceivable that an undesirable political vacuum would come about. [end recording]

Opposition Congress Television Coverage Plans

LD1210051189 Budapest Domestic Service in Hungarian 2100 GMT 11 Oct 89

[Text] The Hungarian television service has signed an agreement with the opposition parties on coverage of its congresses.

According to this, presupposing 3-day weekend events, the television will give 60-minute reports on the events on Friday and Saturday, between 1800 and 1900 [1700 and 1800 GMT], and a 40-minute report after 2100 [2000 GMT] on Sunday. Apart from this, naturally the television "Newsreel", "The Week" and "Close of Day" will also deal with the congresses of opposition parties.

Opposition Groups Demonstrate in Budapest

LD1210090389 Budapest Domestic Service in Hungarian 1730 GMT 11 Oct 89

[Text] The Alliance of Free Democrats [SZDSZ] recently began collecting signatures in order to make the ruling party give an account of its wealth, abolish the Workers' Guard, and leave the workplaces. The radical opposition party also demands that no president should be named before the new parliament is elected. The SZDSZ is

defining its stance at a mass demonstration which is still in progress. Istvan Szello has just returned to the studio from that demonstration in Budapest's Museum Garden.

[Szello] The demonstration was attended by members of the Federation of Democratic Youth [FIDESZ] and Pralita, the independent Gypsy organization.

One of the FIDESZ speakers, in an assessment of the Hungarian Socialist Party [HSP], made the following analogy: One night (?bad) people broke off a letter from the nameplate of one of the small cafes in Miskolc. Nonetheless, the guests came to the same cafe the next day because the employees, including the headwaiter, remained the same. Well, a letter is missing from the HSP name plate as well, but the headwaiter is the same.

In FIDESZ's view, the sole objective of the Hungarian Socialist Workers Party [MSZMP]-HSP congress was to make the party presentable [szalonkepes] for purposes of the elections. Still, the FIDESZ are pleased that Janos Berecz, Karoly Grosz, and Gyorgy Fejti are no longer among the leaders.

Zoltan Koppany of the SZDSZ emphasized in his speech that the MSZMP has retained all the signs of a state-party, which characterized the previous party as well. He criticized the fact that it will be the National Assembly that decides the Workers' Guard issue because, in his view, members of the Kadarite apparatus still sit in that body.

Several hundred people are taking part in the demonstration, perhaps the first demonstration to the tunes of rock music. A [words indistinct] band plays in the intervals between speeches.

MDF Spokesman on High Price of Compromise

LD1110152189 Budapest Domestic Service in Hungarian 1100 GMT 11 Oct 89

[Text] According to a spokesman for the Hungarian Democratic Forum [MDF], the political compromise made at the Hungarian Socialist Party [HSP] congress will have too high a price. Andras Ercfalvi has sent in a report on the press conference:

[Ercfalvi] The first HSP Congress did not fulfil the hopes invested in it, since no movement occured on essential issues. The power relations are inscrutable; the leadership contains many persons unknown to public opinion. It seems that this political compromise will have too high a price. This is the opinion expressed by the MDF spokesman at his press conference.

Csaba Kiss spoke about the MDF's new, active, steps in foreign affairs, which would strengthen our relations with Europe's neutral countries.

The guest and speaker at today's press conference was Hans-Christian Oester, a representative of the Swiss Evangelical People's Party.

The MDF will present its new economic program on 15 October in Szombathely. As for domestic political issues, they will make a statement about these at their national assembly 20-22 October. What has emerged already is that they wish to put forward a candidate for president of the Republic. They do not support the current presidential candidates.

Csepel Communists Form MSZMP Organization

LD1110193189 Budapest Domestic Service in Hungarian 1500 GMT 11 Oct 89

[Text] At Csepel, 43 communists have formed an Hungarian Socialist Workers Party [MSZMP] base organisation. They take exception to the fact that at the party congress their representatives had not done what they were commissioned to do because the majority of the membership argued in support of an MSZMP which, although initiating a renewal, nonetheless was still Marxist-Leninist spirit. Therefore the communists at Csepel call on those who think similarly to them that, on the basis of legal continuity, they should establish MSZMP base organizations.

Kovacs Interviewed on Prospects for Neutrality

LD0410145889 Budapest Domestic Service in Hungarian 0545 GMT 4 Oct 89

[Text] [Announcer] There have recently been various Hungarian and international public opinions about our country's endeavors toward and prospects for neutrality. What is the task of Hungarian foreign policy until there is a realistic chance for neutrality? This is dealt with in the answers which State Secretary for Foreign Affairs Laszlo Kovacs gives to the questions of Miklos Martin Kovacs.

[Martin Kovacs] In the representation of the most varied political forces in Hungary today, several people assert that Hungary's neutrality is a very determined objective. Where there is a difference, I think, lies first and foremost in the time span. There are those who would like it immediately, and there are those who, on the other hand, consider it conceivable in the long term. What possibility is there for a country belonging to a military bloc becoming neutral?

[Kovacs] In order for Hungary to become neutral, it would have to do the following: it would first have to leave the Warsaw Pact. Since the validity of the treaty was extended in April 1985 for 20 more years, the only way to withdraw from it before its expiring—that is before the year 2005—would be if one could claim, and as a matter of fact the Vienna Convention provides a possibility for this, that the circumstances have fundamentally changed compared to those of 1985. Well, at present there is no question of this.

The second thing is this: one would have to abrogate those bilateral agreements which Hungary concluded with the individual socialist countries, and then all this would also have to be laid down in the Constitution.

And that is not all, because once this had been done we would still have to get this accepted by all those states—as it was done, for example, by Austria in 1955—with which we maintain diplomatic relations.

Now it is completely obvious that the Warsaw Pact countries would at least not easily accept this, since this would definitely weaken the organization, in spite of the fact that Hungary, naturally, does not represent an oversized military force.

But, perhaps it is surprising, the leading political circles of both the NATO countries and the neutral European countries stress their reservations in connection with an eventual Hungarian step of this kind.

[Martin Kovacs] I wonder why. For after all, it would suit them, if you like, if the Warsaw Pact were to break up. Or am I wrong?

[Kovacs] At first glance, yes. However, it is obvious that this would trigger off unforeseeable processes. The breakup of one or other alliance system could cause disturbances in the entire European security and cooperation process. In the long term, naturally, on both sides they formulate it as an objective that the two military alliance systems must be dissolved.

[Martin Kovacs] You said that one can request a change in the validity of the Warsaw Pact in the event that the political circumstances fundamentally change. Now, I think a good many people believe that in Hungary the circumstances are indeed fundamentally changing, since there will be a multiparty system, there will be a completely different type of parliamentary democracy than hitherto. Does this not belong to the conceptual sphere of largescale changes?

[Kovacs] The circumstances would fundamentally change if NATO were to announce its dissolution. Then there would no longer be any need for the Warsaw Pact. Therefore, the Hungarian domestic political developments cannot be regarded from this point of view as a fundamental change in circumstances.

[Martin Kovacs] Nevertheless, in theory, today, in 1989, what advantages and what disadvantages would there be supposing Hungary were to be neutral?

[Kovacs] Well, naturally, this is only a theoretical game, because, as I have said, there is now no possibility for this. I believe that in the present situation it would have no advantage at the moment, because if European stability were to loosen, that in the end would also have a disadvantageous effect on Hungary

And then there is one other viewpoint. There exists a concept that neutrality would be good also because then Hungary's military expenditures could be reduced. This is not true, for it is a fact that the neutral countries in general spend more on military purposes than countries of a similar size which belong to military alliance systems. And the reason is that, for example, the defense of the air space, for Hungary, is assured jointly by the Warsaw Pact Organization. The same thing has to be provided by neutral Switzerland, or neutral Austria, themselves, and it is an extremely costly thing.

[Martin Kovacs] Unless you say that as a matter of fact, they have no one against whom to defend their air space.

[Kovacs] Well, yes, but with the very high level of military confrontation today [as heard], neutrality costs a great deal. The situation would naturally be different if the military alliance systems were to cease, or if the level of military confrontation were significantly to diminish, then neutrality would also cost less. Naturally, in that case, belonging to an alliance system would also cost much less.

[Martin Kovacs] But this is still only a dream today.

[Kovacs] This is still only a dream today, unfortunately.

[Martin Kovacs] And what can be done in the meantime?

[Kovacs] What can be done in the meantime—and Hungarian foreign policy strives for this—is to promote, while belonging to the alliance system, the cause of arms limitation and armed force reduction. It urges that the military doctrine and the military structure, the armed forces structure, should be defense-oriented; it strives in order that, within the Warsaw Pact Organization, political considerations should more and more receive priority as opposed to the military viewpoints; and finally it strives in order to strengthen the country' sovereignty also within the framework of the alliance system, in other words, it strives that the situation could not arise whereby, as is the case of the Warsaw Pact, in the event of a common decision, the Hungarian Army should be deployed without the approval of the Hungarian Parliament or legislature, as it happened earlier.

Nemeth Chairs Council College Session

LD0410031889 Budapest MTI in English 1729 GMT 2 Oct 89

[Text] Budapest, October 2 (MTI)—The changing social relations in Hungary, and the democratic transformation of the state and political system, require the reform of the council system guided by the principle of self-government, setting an extremely complex task, says the regulation concept of the law on local and county self government, which was discussed by the Council College of the Council of Ministers, headed by Prime Minister Miklos Nemeth, at its Monday session in Budapest.

The concept points out that the system of councils rooted in the fifties and modified later several times has in fact exhausted its resources, and a social and professional consensus has been reached on the need for a general and comprehensive reform, instead of making further corrections.

Imre Verebelyi, deputy minister of the interior, stressed in his introductory address, that the concept links closely

with the European charter on self-government. It regards self-government a collective human right to which communities are entitled to, and it tries to incorporate it into Hungarian public thinking as such. This law is to bring regional-community interests in conflict with one another. The attention of political forces is increasingly concentrated on the factors of active local power. The time has come for the Council of Ministers to discuss the subject of local self-government on a governmental level. The topic is to be included on the Agenda in the second half of October, to be debated by parliament afterwards. It is probably already the new national assembly that will enact the law.

Miklos Nemeth reaffirmed the intention of the Council of Ministers to deal with the bill in the second half of October. He pointed out that under a multi-party system, the role of representative forums gets upgraded for which not only the government needs to prepare but the state administration as well. At the same time, he warned of the fact that the protection of the state organization is a fundamental political interest. Should the state's ability to function waver that would jeopardize even the peaceful transition. Attempts to disrupt a stable state organization should be positively refused, he said.

TOT, Government Meet To Debate Subsidies

LD0410032689 Budapest MTI in English 1515 GMT 2 Oct 89

[Text] Budapest, October 2, 1989 (MTI-ECONEWS)—The issue of state subsidies was a point of sharp controversy between TOT, the national organization of agricultural cooperatives, and the government at a meeting today.

TOT President Mr Istvan Szabo says they would need at least 10 billion forints to boost the profitability of the industry, as this is precisely what the cooperative farms have lost in profits since 1980.

Minister of Finance Laszlo Bekesi, who heads the government delegation, responded by saying that profitability clearly has to decline in certain agricultural branches so as to force out every little bit of restructuring, long overdue.

The government feels it is necessary to go ahead with a drastic cut in state subsidies so as to give way to genuine market conditions. The government plan is to slash state support to fertilizer manufacturers by half next year, and for every penny of aid to have dried up by 1991. The move will cut budget spending by 2.1 billion forints in 1990 and by a further 2.1 billion in 1991.

No agreement was reached between TOT and the government on the withdrawal of subsidies to breeders of beef cattle and sheep. This means 600 million forints will be paid out in this area next year. There will be no subsidies to goat breeders or wool producers (600 million forints a year), though, but the farms will continue to enjoy a preferential 3-per-cent interest on loans. This item will set the budget back 2.3 billion forints.

Along with the reduction of state support to fertilizer producers, the government will totally liberalize fertilizer imports.

By way of another move, next year, the government will free the state purchase prices of agricultural products, with the exception of milk and grain. There was hefty debate about whether fixed prices should remain in force on wheat for bread. (On average, Hungary produces between 1.5 and 2 million tonnes of wheat for bread a year).

At the same time, the consumer prices of farm produce and foodstuffs will be freed by 1992, with the exception of semi-skimmed milk and standard white bread.

700 Refugees at FRG Embassy in Warsaw

LD1110184189 Warsaw Television Service in Polish 1650 GMT 11 Oct 89

[Excerpt] New refugees are continuing to arrive at the FRG Embassy in Warsaw. According to unofficial sources there are already about 700 of them. [passage omitted]

Spokeswoman Denies Remarks on Border Checks

LD1110200189 Warsaw Television Service in Polish 1900 GMT 11 Oct 89

[Interview with government press spokeswoman Malgorzata Neizabitowski by Magdalena Mikolajczak on 11 October; place not given—live or recorded]

[Excerpt] [Mikolajczak] [passage omitted] Many controversies arose because of the unlawful border crossings by GDR citizens, especially because many conflicting reports on the issue have appeared. For instance, GAZETA WYBORCZA reported you as saying that all border controls have been dropped.

[Niezabitowska] Indeed, yesterday afternoon I spoke on the telephone with a GAZETA WYBORCZA journalist. I conveyed information which is different to what I read in that paper today. Namely, I said that on 10 October, Polish border services did not stop and did not hand over a single GDR citizen to the GDR border services. I also denied rumors that border guard troop [WOP] patrols were stopping cars in the streets of Szczecin, searching them, checking the passengers' documents, and, in the event of finding GDR citizens without the appropriate documents, transporting the latter to the border and handing them over to GDR border services.

GAZETA WYBORCZA, on the other hand, wrote that the WOP has ceased carrying out border controls, with all resulting consequences.

First, I said nothing of the sort. Second, that would be impossible, because although it is the intention of the Polish Government to also treat the cases of those citizens who crossed the Polish border illegally in a humanitarian way, this must take place in accordance with Polish law, international agreements concerning cross-border traffic, and Poland's obligations resulting from the human rights convention.

Foreign Ministry on Illegal Border Crossings

LD1110230289 Warsaw PAP in English 2149 GMT 11 Oct 89

[Text] Warsaw, Oct. 11—In reply to numerous questions and controversial opinions on GDR refugees who illegally cross the Polish border, the Foreign Ministry issued a statement which says in part that the guidelines followed by the frontier guards, whose task is to protect the state borders, have not changed. One of the chief tasks of the guards is to prevent illegal border crossing. The government does not intend to abandon these principles that are commonly accepted in the world, the statement continues.

Minister Krzysztof Skubiszewski's statement in New York and subsequent assurances that none of the GDR refugees will be deported concern persons who stay in Poland legally. This is confirmed by our well-known attitude to GDR refugees willing to go to the FRG, the statement says.

Citizens of other states who attempt to illegally cross the border, thus seriously violating the law, should be aware of concrete consequences and risk. The Polish Government declares itself for humanitarian solutions, also in such cases, the statement concluded.

'Intensive Preparations' for Reforms in GDR

AU1110131789 Warsaw TRYBUNA LUDU in Polish 5 Oct 89 p 7

[Jerzy Weber article: "Before the GDR's 40th Anniversary—The Balance Sheet and Reforms"]

[Excerpts] "We are puzzled by the motives of those several thousand people who have left our country for good, but we must not lose sight of the 16 million of our citizens who remain, and who are fully behind the process of perfecting socialist relationships in our society." This somewhat sarcastic comment by Klaus Hoepcke, popular GDR activist (deputy minister for culture) aptly reflects the official atmosphere in the period running up to 7 October, namely, the 40th anniversary of the founding of the GDR.

Discussion about the people who are fleeing to the West has somewhat blunted the official presentation of the balance sheet of achievements in the past 40 years. This is only to be expected. Nonetheless, it is a balance sheet that many socialist countries would be proud to have. Not wishing to immerse oneself in statistics, it is sufficient to point to the achievements that are visible to the naked eye. The GDR had to organize its state on the poorer, less industrialized eastern areas of the prewar German Reich. Today, it is one of the most industrialized countries of the world (UN figures show it occupies 10th place). Over half of its national income is derived from exports (mainly machinery, equipment, and chemical products). It is one of the few East European countries that regularly attains an economic growth rate of 4-5 percent. [passage omitted]

The feeling of security, basic to any citizen, which is the goal of the Socialist Unity Party of Germany [SED], has become reality. What is more, this social support is kept at a relatively high level when compared to other socialist states. It is calculated by taking into account housing conditions, basic food and energy consumption, and access to places of culture.

Nevertheless, social frustration and discontent have also surfaced here. People fleeing to the West are an extreme

example of this discontent. Many reasons are given for it. Social security is now something so obvious here that it is no longer regarded as of value. The standard of living in the GDR is higher than in most socialist countries, but it is substantially lower than in the FRG, and the GDR citizen compares his standard of living to the FRG. Other people point to the fact that young people are succumbing to the desire to have everything at once. The desire "to drive a real car" often appears as one of the reasons given by those who wish to leave. Many people point to the feeling of social claustrophobia resulting from the existing, although substantially liberalized, restrictions on travel abroad.

The unity of economic and social policies has led to a great concentration of power in the hands of the authorities. It is the state that decides, distributes, and controls all spheres of social and economic life. Subordinating development to the principle of social security for everyone, makes it difficult now to introduce the motor of motivation into the economy. Everyone, regardless of the quality of their work, is guaranteed a dignified standard of life, and thus, there is nothing left over to satisfy the above- basic needs of those who contribute a greater amount.

The main problem with the changes under consideration is the recently posed question of how to effectively motivate in order to encourage greater creativity and productivity, but at the same time keep the social security system as one of the main principles of socialism in the GDR? Without doubt this is a priority subject in the runup to the 12th SED Congress due to take place in May 1990.

Professor Otto Reinhold, chief party theoretician and rector of the SED Central Committee Academy of Social Sciences confirmed to Polish journalists that there are intensive preparations on the shape of the future reforms which will be presented to the party congress.

GDR economy has almost no possibilities for further large scale expansion. There is a shortage of trained personnel and raw materials, and the possibilities of altering the organization of work and raising its discipline have been exhausted. One of the sources of development in the 1990's will be increasing scientific and technical research, and on this basis creating modern technology. This will require substantial investment which cannot be controlled from the center. [passage omitted]

Thus, the necessity for deeper changes in the system of planning and controling the economy are also envisaged. The principle of self-financing will start applying to enterprises in the early 1990's. There will have to be new relationships between the center and the enterprises, a strengthening of the money-goods equation to regulate the mechanism of production. From what has been said, one can assume that state subsidies will also be looked at. This will have implications for prices, for example, greater differentials in rents, water, electricity, and gas charges.

An essential element in the preparations is the question of democracy. How to achieve real participation of the citizen in the government of the country? The answer lies in the development of democracy in the economy, government according to the law, a strict respect for human rights, improving the electoral law, changes in school education, and professional education.

We have to begin reforming—states Reinhold—and this will strengthen socialism, make it more attractive in our country, and broaden its possibilities.

Poland-GDR Club Declaration on Anniversary

AU1110174789 Warsaw TRYBUNA LUDU in Polish 7-8 Oct 89 p 2

["rh"-signed report: "Poland-GDR Friendship Club Issues Declaration"]

[Text] The Main Board of the Poland-GDR Friendship Club held a meeting in Warsaw to mark the 40th anniversary of the foundation of the GDR. The club was formed on the initiative of the Wisla-Odra Society as a social movement to promote the development of comprehensive good-neighborly relations.

During the discussion, it was noted, among other things, that the existence of the GDR is an important factor in the peaceful construction of the political and social order in Europe. At the same time, it was noted that the problems that the GDR is currently experiencing, particularly the wave of emigration and manifestations of political discontent, are an internal affair of that state.

The programmatic declaration that was adopted by participants in the meeting of the Main Board of the Poland-GDR Friendship Club notes that the GDR occupies a lasting place among the world's peaceful states and an equal and partner-like place among the communities on our continent. In the future common European home, the GDR, along with the other German state, can be an element promoting the stability and permanent nature of this home, as well as agreement and cooperation.

The declaration also notes that it should not be forgotten that, since its inception, the GDR has been a consistent advocate of the inviolability of the Odra-Nysa Luzycka border, and of the irreversibility of the geographical and political status quo in Europe.

The declaration also expresses strong support for the intention to expand cooperation that was contained in Premier Tadeusz Mazowiecki's keynote speech and in Foreign Minister Krzysztof Skubiszewski's declaration. That is why the Poland-GDR Friendship Society also supports all initiatives that seek to bring our societies closer together and, at the same time, appeals for the creation of conditions conducive to social and individual initiatives that facilitate joint economic, service sector, commercial, and cultural activity.

GDR Seen as 'Essential' to Europe

AU1110130989 Warsaw TRYBUNA LUDU in Polish 7-8 Oct 89 p 9

[Ryszard Drecki commentary: "Needed in Europe"]

[Text] Theo Sommer, the well known West German journalist and editor-in-chief of the Hamburg daily DIE ZEIT, recently wrote an article for NEWSWEEK in which he analyzed the position of the GDR. The article falls between the two parallel streams of discussion, or propaganda, currently raging in Europe and the United States. One of these discussion streams is on the purported internal "erosion" of the GDR, the other, on the tantilizing possibility of future German unification linked to the improvement in East-West relations.

The essence of Sommer's thesis lies in looking at the problem through a European perspective, and his main argument can be roughly summarized as follows: Europe is currently undergoing three distinct processes. First, there is the process of West European integration. Second, there is the process of changes in Eastern Europe. The third process, resulting from the first two, is the mutual regeneration of links between Eastern and Western Europe. "The German Question," when considered from the point of German unification, would upset these processes. Thus: "from this angle there can be no talk of the disappearance of the GDR." (Several excerpts from Sommer's article were published in yesterday's TRYBUNA LUDU under the rubric: "In the Opinion of Others.")

Looking at it otherwise, the GDR is needed by Europe regardless of the complexity of its internal problems, and regardless of the intensity of the clamor for the unification of Germany.

The GDR was needed by Europe 40 years ago, when it had just come into being. The need then was perhaps a more elemental one than today, and stemmed from the lessons of the recent war, or if one prefers, the two world wars. A new state arose on the territory of the state which had begun the war; a state with a different class consciousness and different politics. A state that rejected the expansionist traditions, doctrines, "desires," and searches for a "place in the sun," "lebensraum," and all the other myths of German imperialism.

This had profound implications for the whole of Europe, but was felt most by the new German state's eastern neighbors, especially Poland. The fact that the GDR and Poland concluded the Zgorzelec Treaty on the inviolability of the Odra-Nysa border several months after the state had come into being, was more than a mere symbolic gesture. It was a fact of great significance that not only symbolized the "eastern policy" of the new German state, but underscored the concrete reality of this policy. Many years have elapsed since then, and the situation has changed greatly, but the elemental function of the GDR as one of the factors that reduce the threat which in the past has emanated from German lands for both Poland and Europe, has remained constant and unaltered till today.

Later, came the long and the weary struggle of the GDR for international recognition. In a way—chronologically and in substance—it paralleled the course of the wholesome feature in European relations that was linked to the idea of the Conference on Disarmament and Security in Europe. The final recognition of the socialist German state by the world community coincided with the activation of the CSCE process in Europe. In a way it was also its product, and, at the same time—like the acceptance of its frontiers—it became one of the fundamental pillars of this process.

Today, all the processes that Dr Theo Sommer wrote about in the mentioned article, are happening within the existing European framework. This is not to say that the loss of one brick from this structure, or any other for that matter, will threaten to bring the whole edifice crashing down. The essential point lies in the fact that the German state which stretches between the Odra and the Elbe rivers is not just a mere brick, but a crucial part of the present day European structure. The "disappearance" of the GDR and the emergence in the very heart of Europe of a new powerful state, would call into question all the achievements that have been gained on the road leading to the common European home. Everything would be different and all would have to be started anew, in some way or another. All this would have to be started in conditions that would certainly not be as favorable, or as easy, as the present ones. It is worth bearing this fact in mind on the occasion of the GDR's 40th anniversary, and it is worth dedicating this thought to all those people who, for whatever reason, are preaching German unification that encompasses the disappearance of the GDR.

Jaruzelski on Berlin Talks With Gorbachev

AU1110123789 Warsaw RZECZPOSPOLITA in Polish 9 Oct 89 p 1

[PAP report: "PPR President's Statement at Warsaw Airport]

[Text] On his return to Warsaw on the evening of 7 October, Wojciech Jaruzelski, president of the Polish People's Republic [PPR], made a statement to journalists at Warsaw Airport. He said that in addition to taking part in ceremonies to mark the GDR's 40th anniversary, he had held numerous talks in Berlin.

The president said that his conversation with Mikhail Gorbachev was particularly significant. The conversation was important and to the point, focusing on bilateral relations and the international situation. The conversation was marked by complete mutual understanding; understanding for the situation in Poland, the processes that are taking place in our country, and the desire to support them wherever possible. In conclusion, Wojciech Jaruzelski said that it was a conversation that will benefit our country.

Warsaw TV Report

LD0910170989 Warsaw Television Service in Polish 1830 GMT 8 Oct 89

[Interview with President Wojciech Jaruzelski by correspondent Tadeusz Zakrzewski on 8 October, place not given—recorded]

[Text] Mr President, yesterday and the day before you were in the GDR. You took part in various ceremonies in association with the anniversary, but you also spent your time working very hard at talks with eminent politicians, including Mikhail Gorbachev. This is the talk that interests us the most. What was the talk about?

[Jaruzelski] It is good that you noticed that this was a hard working time. For, in general, it is often believed that politicians who meet in such circumstances eat, drink and make merry. Indeed, this was a time that I devoted to many talks. Among the most important for me was, of course, the talk with Mikhail Gorbachev. Every one of these talks is greatly valued by me. This one was also important. It related both to bilateral relations and the wider, international scale of things. It manifested our mutual understanding, and I judge that it will well serve our Polish affairs.

[Zakrzewski] What mood was Mikhail Gorbachev in?

[Jaruzelski] He is in good physical and mental condition.

Rakowski Concludes Visit to Moscow, Departs

LD1210071589 Warsaw PAP in English 2147 GMT 11 Oct 89

[By PAP correspondents Jerzy Malczyk and Slawomir Popowski]

[Excerpts] Moscow, Oct. 11—PUWP CC First Secretary Mieczyslaw F. Rakowski on Wednesday paid a working visit to Moscow at the invitation of the CPSU Central Committee.

Rakowski's meeting with CPSU CC General Secretary Mikhail Gorbachev was the highlight of the visit.

"I think—(?said) Gorbachev in his statement for newsmen—that ours were not only formal relations, that not only did we pursue economic cooperation but a genuine cooperation started between our parties, cooperation in the sphere of culture, cooperation of our scientists dealing with social sciences, with studies on the past and the present day. I would like all this to be continued." [passage omitted]

Rakowski and Gorbachev held a three and a half hours' friendly talk, discussing a broad range of problems connected with social, political and economic processes under way in both countries, with the development of cooperation of the two brotherly parties and with the prospects for Polish-Soviet relations.

Rakowski briefed Gorbachev on the situation in Poland after the elections to the Sejm and Senate and the formation of the new government. The key all-national task of the moment is to overcome the prolonged social and economic crisis in the country, the Polish leader said. The PUWP intends to cooperate in a responsible and constructive way with the government and various political forces of today's Poland in solving these difficult problems and seeking the ways for the further development of the country, added he. Rakowski also briefed Gorbachev on the results of the 15th PUWP CC Plenum and on the preparations for the 11th PUWP Congress.

Gorbachev briefed Rakowski in turn on the large-scale comprehensive work on implementing the political, economic and legal reform. We attach cardinal signfiicance to the reform in the party, emphasized the Soviet leader. While we are preparing for the 28th Congress, to be called in a years' time, we have to renew substantially all the party structures and to change its working style. Needed are both new ideas and new cadres that will make the party a true avant-garde of politics, said he.

Rakowski and Gorbachev exchanged views on many key problems of the modern-time social development.

(?Both sides) devoted considerable attention to the prospects of Polish-Soviet relations. The common fate of both states and their common geo-strategic interests are the basis of these relations which, according to both party leaders, do not depend on the political tendencies. Polish-Soviet cooperation within the Warsaw Treaty is one of the key elements of peace and stability in Europe.

Rakowski emphasized the importance of the cooperation of both countries for national interests of Poles and for Poland's security and development.

Our country, Gorbachev said, will strive for further development of diverse and mutually profitable contacts with Poland in all areas. We are of the opinion that our relations may develop fruitfully while the sovereignty, equal rights and the choice made bythe people of each of the countries and mutually respected, said he.

Both leaders also exchanged ideas on international issues.

Before his departure from the Unukovo airport here Mieczyslaw F. Rakowski told PAP:

"It was a working visit. What does it mean? In this very case the visit-talk meant a very frank and open discussion on ali Polish and Soviet problems, the issues of perestroika and socialist renewal in Poland."

"I had an impression—though not for the first time, but today it was the first such many-hour talk—that Mikhail Gorbachev is a man who seems to want to have a thorough knowledge of all matters, including Poland's situation. He wants to know what is going on in Poland, because it is necessary for him to get to understand the

mechanisms which havce been put to work by communist parties, of the CPSU or the PUWP type, entering the process of renewal of socialism.

"It was the first impression. The second one was that Gorbachev declared, and it was not an empty declaration, that the CPSU treated the Polish party as the closest ally and that it would support all actions aiming at the strengthening of the Polish party's position in the society. He also declared the will and readiness to develop cooperation between the PUWP and CPSU in all spheres. He was, as usually, open to all proposals on enriching the cooperation," Rakowski said.

Late at night Mieczyslaw F. Rakowski left for Warsaw. He was bidden farewell by CPSU Political Bureau member and CC Secretary Aleksandr Yakovlev and head of the Foreign Department of the CPSU CC Valentin Falin.

Gerasimov Remarks on Warsaw Pact Attendance

LD1010221289 Warsaw PAP in English 2043 GMT 10 Oct 89

[Text] Moscow, Oct. 10—Soviet Foreign Ministry Spokesman Gennadiy Gerasimov made it clear at a press conference here today that the Soviet Union would not deem it improper should Poland be represented by Wojciech Jaruzelski, Tadeusz Mazowiecki and Lech Walesa at sessions of the Warsaw Treaty's Political Consultative Committee.

"At the hitherto sessions, individual delegations were composed of heads of state, government and the ruling party. Will Jaruzelski, Mazowiecki and Walesa sit side by side on such an occasion in case of today's Poland?" In reply Gerasimov asked the following question: "If these personalities can sit side by side in Warsaw, why should they not do the same elsewhere?"

Both Poland and Hungary are still loyal Warsaw Treaty members in tune with declarations of their leaders and that is why they should take part in the work of organs of this alliance, the Soviet spokesman added.

Debt Rescheduling Agreement Signed With FRG

LD0910191389 Warsaw PAP in English 1812 GMT 9 Oct 89

[Text] Bonn, Oct. 9—An agreement between Poland and the FRG on the rescheduling of Polish debt of 2.5 billion West German marks was signed here today.

The agreement embraces all Polish obligations towards the federal authorities due in the years 1986-1988 as well as the obligations that were not regulated by the three former bilateral agreements. The repayment of all these dues has now been postponed till 1997.

The federal Ministry of Finance which disclosed the news on the agreement underlined that the FRG is Poland's biggest Western creditor and that talks are under way between the Paris Club of creditors and Poland on new payment obligations as of January 1, 1989.

Siwicki Greetings to Polish UN Soldiers

LD1010180989 Warsaw PAP in English 1646 GMT 10 Oct 89

[Text] Warsaw, Oct 10: Poland's Minister of National Defence Gen Florian Siwicki conveyed his wishes to all Polish soldiers serving in the UN peace keeping forces in connection with the Polish Army Day.

Wishing the Polish soldiers serving in the UN forces in Syria and Namibia and the Group of Military Observers at the Iraq-Iran border success and persistence in their service as well as wishing health and personal prosperity to all those fulfilling tasks in peace missions, Gen Siwicki stated that excellent service under the UN flag is a cause of satisfaction for all the Polish Army.

Mazowiecki Invites Arab Investments

LD1110091389 Warsaw Domestic Service in Polish 1500 GMT 10 Oct 89

[Text] Premier Tadeusz Mazowiecki has declared that he wants Poland to establish relations with all Arab states, and that he is also ready to receive help and economic cooperation from these states. In an interview for the daily GULF TIMES, the premier stressed that foreign investors who locate their capital in Poland will receive the necessary guarantees and that the government will create the appropriate atmosphere in the development of cooperation.

Spokesperson's, Finance Minister's News Conference

AU1010101089 Warsaw RZECZPOSPOLITA in Polish 7-8 Oct 89 pp 1,3,4

[Report on news conference by Government Spokesman Malgorzata Niezabitowska and Finance Minister Leszek Balcerowicz at the Palace of the Council of Ministers in Warsaw on 6 October]

[Text] One can say without fear of exaggerating that the whole of Poland had been waiting for the moment when the economic program of Premier Tadeusz Mazowiecki's government would be presented for the first time. No wonder, then, that the atmosphere at the Friday press conference by Government Spokesman Malgorzata Niezabitowska and her earlier announced guest, Deputy Premier and Finance Minister Leszek Balcerowicz, was hot. Dozens of journalists turned up in the Conference Room of the Palace of the Council of Ministers.

Introduction her second meeting with journalists, Malgorzata Niezabitowska said that in his Sejm speech, Premier Mazowiecki had said that we would draw a thick line through Poland's past. That is what we want to do, she said. However, the heritage of the past 45 years has been passed to us, and that which is happening in Poland right now is the result of that heritage. The guests

at the news conference were Deputy Premier Leszek Balcerowicz, minister of finance; Wojciech Misiag, vice minister of finance; and Jerzy Kozminski, director general of the Office of the Council of Ministers. In accordance with M. Niezabitowska's previous announcement, the subject of the news conference was the government's draft economic program.

It is a draft, said M. Niezabitowska, because the final version has not been decided yet. Why, then, are we presenting something that has not been finalized? Because the government is under pressure from two quarters—first, the very difficult living conditions of society and its growing impatience, and second, the need to undertake action as quickly as possible in order to change this situation. However, this cannot be emergency activity. Such activity might bring short-term improvements, but the economy might lapse even further later on. Our activity must extend further ahead. We must act consistently and radically, but not blindly.

I would like to lay particular emphasis on the relationship between the heritage of the past 45 years and the Mazowiecki government's 25 days in office.

During these 25 days, acting in great haste and under huge pressure, the government has presented an economic program worked out by Deputy Premier Balcerowicz and his advisers. We want to present this program today because society's acceptance thereof is absolutely necessary before any changes are made. This acceptance can only occur if society understands what the situation is and what can be achieved in it. Because time is flying, we are starting today, and I hope it will be a good start.

This program, said L. Balcerowicz, has two fundamental aims. The first is to counteract, and then eliminate, inflation. This is of particular importance because if present trends continue, for example if the price increases that occurred in August continue unabated, then in 1 year's time prices could be several dozen times higher than today. We cannot and will not allow that, but it does involve a great effort from society.

The second aim, related to the first, is to quickly convert the economic system to a market-orientated one, based on tried and tested forms of ownership. Only this way can we liberate human enterprise and start a gradual improvement to the standard of living. We all know we have a great, unrepeatable chance of making a major change to the system. But we also know that we have been provided with this chance under exceedingly difficult economic conditions and negative economic trends. Whether we can use this chance is a great question and challenge.

The government's draft program calls for two phases. The first is a preliminary phase, as short as possible, meant to last no longer than the beginning of next year. The second phase is a phase of decisive changes. The preliminary phase is not just passive waiting; it is a phase of energetic activity with two aims in mind. The first of these aims is to rapidly work out and implement undertakings which will lead us in a relatively short time from the present economic system to a market economy based on healthy principles of ownership that have been tested and proved successful elsewhere. This activity, some of which we are undertaking right now or will shortly do so, involves changes of ownership, in other words the break up of monopolies, a budget reform, changes to the banking system, the rapid introduction of an improved system of social security so as to prepare society for the inevitable hardships of the second decisive phase, and an improved system of state enterprises which, despite the changes in ownership, will continue to exist next year and which must have the possibility of acting efficiently and withstanding the competition with other enterprises.

The second fundamental aim of the preliminary phase is to overcome the deterioration to the economic system. Unfortunately, I have to admit that even with all the government's efforts, we will probably be unable to completely stop the very negative economic trends that have already begun. For example, we are experiencing a collapse in animal production, which will accompany the so-called market orientation of the food economy. It is expected that food procurement this year will be 7 to 10 percent less than during the same period last year. Industrial output has been falling steadily since April, and between January and September 1989 it was lower than during the same period last year. The reason is disruptions in food imports, partly because we cannot afford imports of essential ingredients for domestic production. One of these is fuel. We cannot afford to import more fuel for the domestic market. Coal extraction is falling. In the final quarter of this year, coal extraction will probably be 7 million tonnes less than it was during the same period last year. This is explained by the reduced working hours on Saturdays and by the fact that working time in the final quarter will be 3 working days less than it was in the final quarter of 1988. Finally, we have the great problem of budget deficit, which came to light during the debate on the so-called provisional budget in April and which we will tackle in successive draft budgets at the end of this year and next year.

What can the government do in this preliminary phase, and what will it do? First, it will slow down the rate of price increases, in other words it will try and stop prices form rising as fast as they have been. However, we cannot promise that we will strangle inflation very soon and that prices will suddenly cease to rise so fast. This is the task of the second phase. So what measures can we undertake now? Thanks to the harsher law on monopolies and stronger powers for the antimonopolies body, we will counteract the abuse of monopolist positions in the market. In accordance with earlier announcements, we will overcome excessive increases in wages and other forms of income. This involves amending the law on the indexation of prices and introducing a new tax on wage increases. The drafts of both proposals have been placed before the Sejm. This is exceedingly important because at a time when there are practically no possibilities whatsoever of increasing market supplies, the only

choice we have is longer queues and higher prices, or shorter queues and prices that rise not so fast. And this depends on how far we will manage to halt the inflation-boosting rise in wages and other forms of income. This also applies to farmers incomes, which, as we know, are closely linked to the prices which farmers demand and receive. During this period, we will introduce attractive forms of long-term savings, which will guarantee that people will not lose out financially on this economic operation. Of course, this requires a change to the terms that apply to credits, for we cannot make savings schemes more attractive and, at the same time, preserve the interest rate on loans at such a low level that they are gifts. Therefore, an adjustment to credits is called for in this situation.

Reducing the growth rate of prices this year means having to reduce the budget deficit so that the Z4.9 trillion deficit in October does not continue into next year. For this purpose, it will be necessary to stop subsidies in many spheres; for example, an end to subsidies for sociopolitical organizations that provide no significant social services; and harsher financial sanctions on, say, state enterprises that have fallen into arrears with the payment of their taxes. We have already taken certain steps, and others are in preparation, such as an amendment to the law on enforcing taxes. Economic liberalism must not be confused with poor fiscal discipline. No country with a market economy permits one to fall into tax arrears with impunity. In addition, we intend to increase budgetary income by selling off certain state assets.

The third type of activity involves preserving the level of production and supply. It is with regret that I have to say that for the same reasons I have already mentioned, the possibilities of preventing a deterioration in the supply situation are negligible, at least as far as the government is concerned. During my recent talks in Washington, I asked my interlocutors for short-terms loans so that Poland can import the essential minimum of goods for supply purposes. There has not been any concrete reply to this request yet, but there has been an encouraging reaction to other features of our program. We are considering the possibility of employing certain reserves. However, I wish to make it clear that if some sort of revival does occur in production, it will mainly be dependent on human energy and on the extent to which people are willing to make the most of the expanded possioilities of economic action, without waiting for the government's instructions. It is not the government's job to tell people what to do in concrete spheres.

The phase of institutional changes will be of decisive importance. Here we have the following goals. First, to strangle inflation. That means reducing the rate at which prices rise, but not overnight. No country with a situation like Poland's has ever managed that. Second, an implementation of the mechanisms of the new economic system that have already been prepared. The structure of ownership will change, an improved system of functioning for state enterprises will take effect, a stock exchange will arise, a new fiscal and banking system will appear, and so on.

An important problem is the halting of inflation. The advantages to be gained from the program of institutional changes depends on the solution to that problem. The solution involves, among other things, a harsh financial and fiscal policy. A harsh fiscal policy means we must balance out the budget, that means cutting subsidies and generally reducing the influx of budgetary funds to the economy. A new type of prices and incomes policy is needed which would stop the inflation spiral during the upsurge in prices that must occur during this period. The relationship between prices and incomes cannot rule out such a policy. A further bold step toward abolishing the indexation of wages and the inflationary effect of money is required. This is an extremely important point. Unless it is accepted and implemented, I see no chance of rescuing Poland from hyperinflation. The government is determined to act consistently in this sphere.

What can society expect during the phase of decisive changes which we reckon should start no later than the beginning of next year? One cannot rashly promise an economic improvement. During this phase, the rate of price increases will slow down, but at the same time we will have a problem that is known wherever this kind of inflation has been combated in the past. What I mean is that when less budgetary funds are received by the economy, some enterprises will run into financial trouble, and there will be no way of differentiating between those enterprises that deserve budgetary support and those that do not. Some enterprises will begin to experience a shortage of money, for example for wages, and the specter of bankruptcy will appear. This is an inevitable outcome of all programs that are designed to combat drastic inflation. If this outcome is rejected, it will mean that the entire program of overcoming inflation will also be rejected, and if the program is rejected, then the possibility of reaping advantages from the great program of institutional changes will also have been rejected.

Aware of the possibility of effects like these, the extent of which it is impossible to forecast for they are without precedent, the government is now preparing a system of social security in the form of unemployment benefit, labor exchanges, job training centers, and so on. An exact program will be presented soon. But it ought to be said straightaway that if we want to fight inflation, in other words reduce the budget deficit, then the possibilities of creating this system are small, and so, just as Minister Kuron has said, we appeal to human sacrifice. The point is to provide assistance for the economy over and above what the budget can provide.

I will now gather all the threads together and say what this all means to society. One cannot promise that the situation will improve markedly, not next year at any rate. It would be deceitful for me to say something that I do not believe. What would happen if another program,

opposite to the one I have presented, were implemented, a program of increased rationing of goods, administrative curbing of prices, and a return to the command-directive system? What would be the impact of such an alternative program? First, the situation would be no better; in fact, it would deteriorate. Second, in 1 year's time we would be faced with exactly the same problems as today, only in a worse situation. We would have to adopt and implement the painful program that I have just discussed in any case. Third, only by making a stubborn effort to implement this program do we stand a chance of obtaining real foreign aid. I convince myself of this during my talks in Washington with the representatives of the IMF and World Bank, financial ministers of Western countries, senior members of the U.S. Congress and Senate, and President Bush's advisers. Only if Polish society accepts such a program and only if it is implemented can Poland expect such aid.

The first conditional signs of such an acceptance are already apparent. They still do not conform to our expectations, but things look promisiong. As we know, President Bush has asked Congress to give us a non-returnable loan, in other words a gift, to the tune of $200 million as part of the so-called stabilizing loan of $1 billion which the West is ready to give us over and above the sum we are due to receive from the IMF if we conclude an agreement with it. This stabilizing loan was supposed to involve the introduction of a single rate of exchange vis-a-vis the zloty and its stabilization, in other words a process leading to the convertibility of the zloty.

I have informed you about some of the costs of the program, the burden that will have to be shouldered. At the same time, I stress that these costs are nothing compared with what we would face if we were to adopt any other program. To conclude, however, I would like to tell you about future advantages. The situation is not hopeless. There is a real chance of improvement, provided that the fundamental components of the program that I have outlined are implemented. If they are, I think we can count on a certain process of improvements. First, one can expect the growth rate of prices to fall. No one can say exactly when this will happen, but it should happen during next year. Second, the supply situation in the shops should improve. All the wasted time and mental stress caused by the supply situation will clearly diminish. Third, converting to a market economy means eliminating the chaos that is typical in an economy in which the command-directive system is in force. This problem is by no means an abstract one. The chaos is caused by the fact that people work nervously, unsteadily, and inefficiently in such a system. Therefore working conditions will improve, and because people will work more efficiently, there will be better chances of improving the quality of life, for example alleviating the housing shortage. Adopting a market system will cause a greater demand for people who perform good, creative work, and the incomes of such people will rise accordingly. This also applies to the scientific intelligentsia. Only under such a system can these people feel that they are needed and that their talents and knowledge will not be wasted. At the same time, harsh conditions will be imposed on those people who think that wages are their reward for just being present at work. Finally, I think that only the adoption of a market economy based on tried and tested institutions can save us from an ecological disaster. There are no conflicts here. There is a far-reaching connection between market processes and ecological advantages, for the present ecological disaster in Poland is the result of our wasting of energy and materials. We are consuming these in enormous quantities, and by doing so we are destroying the environment. One thing leads to another. By destroying the environment, we are not protecting our own mechanisms and those of our children. Because the economic system to date is inefficient, there are no resources to protect the environment. There is simply no money for investments in this sphere. One can see chances of Poland avoiding an ecological disaster in a market economy that contains strong incentives to economize on materials and energy.

Next, journalists proceeded to ask questions.

LA VANGUARDIA: The program you have presented was criticized quite mercilessly by Central Committee member Jan Glowczyk at the last Polish United Workers Party [PZPR] plenum. In a nutshell, he said that such a liberal program would quickly lead to a social upheaval which no one can prevent. The Central Committee resolution does not contain such a drastic view, but it also talks of defending the state sector. What have you to say to that, and what complications does the government expect, mindful of the fact that the party that has formulated this stance is part of the government?

L. Balcerowicz: I hope for far-reaching cooperation and support for programs like these. I do not think one should be alarmed at the news you have given.

REUTERS: As we know, subsidies out of the state budget for the national economy exceed 40 percent of all budget spending. What level of subsidies do you foresee at the end of the year?

L. Balcerowicz: As I have said, the Finance Ministry is still carrying out an analysis. The problem you mention is well known to us.

REUTERS: In that case, could you give us an estimate for the rate of inflation at the end of the year?

L. Balcerowicz: That depends on which variant of eliminating the budget deficit is adopted. It is too early to give you concrete figures. In any case, all the variants we are considering are based on the assumption that monthly inflation will not be as high as it is now.

Radio Madrid: You talk about plans, but you say nothing about the costs. By how many holes will the belt have to be tightened? What will these plans cost? Who is meant to pay for them? Will the government, which contains not just communists, but also Catholics, be willing to replace justice with charity?

L. Balcerowicz: I have already spoken about the costs. I did not provide exact figures, because it would be irresponsible to do so. There is something that is called an error of falsely placed facts. Errors of logic are to be avoided. However, I can say that in every program of emerging from drastic inflation, statistical real wage indicators, not to be confused with the standard of living, have to fall. That means that if we divide the wage increase indicator by the price increase indicator, the latter must diminish. However, the gauge by which the standard of living is measured is quite illusory. The standard of living depends not on how much money individuals and the state as a whole have, but the level of supplies.

ZWIAZKOWIEC: How long does the government think society's credit of trust will last? Does the premier think it will last 1 year or 1 and ½ years? The government and National Trade Union Confederation have divergent opinions. My second question: There are rumors that power stations have no money for coal. As a result, the "Polfa" plant in Tarchomin, the only producer of antibiotics, is to be closed down. Are there not fears that the social costs of such economizing are too high?

L. Balcerowicz: The government trusts that society will display maturity and an understanding of the historic situation we are in. I am convinced people realize that we are facing a unique and unrepeatable experiment, a historic chance of making the kind of economic changes that will keep pace with the political ones. I am also convinced that people realize we are being closely watched by the world and that people not only admire our readiness to take radical steps toward freedom, but also expect from us maturity, on which the possibility of aid depends. The way public opinion reacts and how it supports the difficult program depends on not just the government, but also on you. The second issue is the problem of drug production. I wish to make clear what sort of dilemma is facing the government and all of us. One of the elements or mechanisms of restricting prices are the so-called price ceilings. The purpose of introducing these price ceilings is to slow down the rise in prices, because no one likes rising prices. If these ceilings are firmly applied, production turns out to be unprofitable; production, including in the drug industry, is likely to be interrupted; and the dilemma emerges of whether to increase prices and accept the risk of disruptions in production, or not to increase prices and subsidize production out of the budget. This latter option is only a theoretical one because the budget is in a state of deficit in any case, and extra money has to be printed. The problem you ask about is at the center of our attention.

ZWIAZKOWIEC: There is a danger that electricity supplies to industry will be cut off because electricity bills have not been paid. I hear that this does not apply to just "Polfa," but also other enterprises that are the main financial culprits in this sphere.

L. Balcerowicz: This problem has been noticed, and suitable financial support is going to be given.

EXPRESS WIECZORNY: If society's opposition to such a radical program turns out to be too great, does the government have alternatives ready? Second, what is your attitude toward the idea of national loans? If you favor them, when do you do so, and according to what principles?

L. Balcerowicz: Concerning your first question, surely you do not expect me to comment. Concerning your second question, a national loan is at the center of our preparatory work. The Council of Ministers Economic Committee has a special working team, and in this team we are discussing various variants. A decision will be made shortly.

ASSOCIATED PRESS: It seems to me that what you are suggesting to Polish society is a declaration of war on the economic system to date. However, I am not sure if society fully realizes the costs it will have to bear as a result. Have you any idea of the size of these costs, for example the level of unemployment? Second, when will the plan to privatize the market be implemented?

L. Balcerowicz: To answer your first question, I would say that the "war on the economic system" that you have mentioned is a joint war, because it is not just the government that would like to get out of this system, but society as well. I do not see many people willing to remain in this system or to revert to the postwar command-directive system. As far as social costs are concerned, I have presented an outline of them, and the extent of these costs is being examined. I wanted to make it clear that it is impossible to calculate the exact figures of these costs. That is why the situation is so difficult. There are certain estimates, but they depend on which variant we decide to adopt. All I can say right now is that in extreme circumstances, unemployment could be heavy. All we can do is make estimates, for example 10 percent, but that is all we can do. However, there is one thing I would like to add. Unlike other countries which have attempted to extract themselves from inflation, we hold certain trump cards, but not many. Our situation is generally worse, but we have possibilities of alleviating the problem of unemployment, for we have many spheres in which there has not been enough capital spending and where there is a manpower shortage. There are places waiting for employees. Of course I realize that there are attendant problems, such as housing. Work can be in one place, but accommodation in another. Therefore such situations will be resolved by means of housing programs. I see ways of dissipating these dangers.

LE POINT: You mentioned wage controls, including those of the peasant strata, but how are these wages going to be controlled? You mentioned a tougher policy against monopolies. To what extent does this apply to material monopolies [monopole rzeczowe] as opposed to private ones? For example, the Polish State Railroad has a monopoly over goods shipments. How could its monopoly be broken? After 25 days of government experience, do you subscribe to the call to end the nomenklatura which "Solidarity" put forth at the

"roundtable" ? Have you already experienced the nomenklatura's opposition to your policies? What kind of opposition do you expect from your own allies?

L. Balcerowicz: I think that policy toward agriculture is one of the most important problems and features of our economic situation and program. We all realize the importance of the agricultural sector, but we also realize the need to avoid economically faulty solutions. What are economically faulty solutions? They are solutions that mix together economic and social desires. An example is an attempt to preserve even the smallest farms by establishing prices at such a high level that they earn high incomes. We oppose such a policy. Nevertheless, we perceive the great problems of agriculture, including the problem of poverty in rural areas. I think the correct solution is to separate market mechanisms from social security in rural areas as well, in other words the prices of agricultural produce will have to be established at such a level that they do not constitute a driving force of inflation, and are based on the actual production possibilities of efficient farms. I see the need to set in motion an entire program to resolve rural poverty and permit people from small, inefficient farms to move to other types of work, for example manufacturing or services in rural areas.

What you call material monopolies are natural monopolies. In other words spheres where, for technical reasons, it is impossible for more than one producer to exist. In foreign countries, there are tested ways of restricting their power over the market. Each of these methods is bad. For example, controlling the level of profits means that costs no longer matter, because it is profitable to push them up. But experience tells us that applying any of these solutions is the lesser evil. On the other hand, natural monopolies are spheres where competition is quite simply impossible. Apart from that, there are spheres where it is possible to set up a limited amount of competition, though not immediately. This can be done either by breaking up monopolist structures, which activity is now being prepared, or, more importantly, by setting in motion a whole series of new entrepreneurs. But the government will not do that. All it can do is hope that the entrepreneurial initiative that has been dormant in people until now will begin to reveal itself. The point is to convert people who are often negatively described as peddlers and speculators into serious tradesmen and businessmen. There are going to be increasing chances for such activity in our economy. As far as demonopolization is concerned, this signifies an opening up to the world. In no country is an effective demonopolization possible without an opening up to the world. This is difficult in the short run, because there is nothing to open up to. Our payments situation is drastic. However, in the long run, it is easier, because our program, which begins next year, calls for a uniform rate of exchange for and convertibility for the zloty, as well as easier access to competitive imports. This might clash with the balance of payments, but need not do so, for one can expect competitive imports to stimulate Polish producers to be more productive. As far as the problem of the nomenklatura is concerned, I have not had any negative personal experience with it. There is a climate of cooperation in the government's economic bodies, and it seems to me that this is a positive working atmosphere, otherwise I would have been unable to present this program on behalf of the government.

Radio Free Europe: From what you have said, should one conclude that the government does not intend to stabilize the zloty exchange rate and make it convertible until Poland has received a stabilizing loan from the West?

L. Balcerowicz: As far as the convertibility of the zloty is concerned, then two conditions have to be fulfilled so that the convertibility can be introduced wisely, avoiding a situation where we are introducing a uniform rate of exchange and at the same time the rate of exchange is increasing drastically. First, there has to be a guaranteed greater influx of foreign currency to the market, and second, an outflow of zlotys from the market, which means that there must be a higher demand for foreign currency. The second condition depends on us to a major extent. This is an inflation policy whose purpose is to restrict the amount of "empty money" in circulation. However, the first condition only partly depends on us. It depends more on foreign support. And here there is a real chance of foreign support for our program of unifying the exchange rate, in the form of the stabilizing loan I have mentioned. We cannot commence this operation sooner. Everything has to be coordinated. Only then does it stand a chance of succeeding, and that is why we welcome the concrete proposals the West has made to us.

PR EKROJ: I am losing sleep over the 800 employees of the Patriotic Movement of National Rebirth who come to work at 0800 and do not stay at work until 1600 because they have nothing to do. And yet we are paying for their wages out of our own pockets. If these workers were to be made redundant, the resulting administrative cut would enable some of the administrative assets, cars, telephones, even premises, to be given to the population. Is such a thing possible? Apart from that, I would suggest that the population ought not to be provoked. Take the price of butter, Z4,221 [per pack]. Why the Z1 at the end? This may become a cabaret joke.

L. Balcerowicz: One thing at a time. As far as the administration is concerned, it is necessary to differentiate between several things. First, despite what people think, the central administration is not excessively extensive. I am not saying that because I have suddenly become a member of this administration, but because I have information that says that this is so. The Finance Ministry, which is supposed to conduct most of the analytical work, has 550 people, whereas the Department of Transportation of the state of California has almost 12,000 employees. If you consider the number of employees in financial ministries in Western countries, you will see that the figures are several times higher than

in Poland. As far as local government is concerned, there might be staff surpluses here and there. The way to reduce these surpluses is to establish local self-government bodies, which, as you know, are going to be introduced rapidly. The greatest problem is the existence of large auditing bodies in enterprises, which emerged as a result of the central administration's need for such bodies. According to the old command-directive system, commands and directives were issued at the top and conveyed downwards, and officials had to prepare reports. In this way, entire bodies of people came into being. These will disappear in time, and at the same time enterprises will be more concerned with economizing. I would like to point out that responsible people in enterprises realize that there should be no cuts to engineering or technical staff. Some people claim that the only important people are those that are directly involved in production. Of course, everyone who contributes to production counts, even the officials who are capable of improving it. I have already mentioned sociopolitical organizations. We intend to reduce subsidies to those organizations that do not provide any significant social services.

As far as reducing the number of official vehicles is concerned, I must say that that would reduce the efficiency of the administration, though I suppose a bit of economizing is possible here. But I would warn against propaganda-like measures which might cause negative consequences. As far as the price of butter is concerned, I know that public opinion is disturbed by it. You know that the Finance Ministry has conducted research into this. The preliminary results of this research indicate that the price increase of butter was partly caused by a disproportionate increase in the price of milk, and the price of milk was forced up not by an act of God or government decision, but by the activity of specific groups of people and institutions. Second, the price of butter varies enormously throughout the country. For example, in Poznan Voivodship it costs Z1,750; and in Warsaw it costs Z3,200. We have information that the price of butter in Warsaw is so high that dairies are beginning to reject butter, in other words certain economic mechanisms are beginning to take effect. With this level of prices, the rejection rate is 70 percent. Entrepreneurs have simply gone too far, and are now beginning to lose. One has to display a tiny bit of imagination and patience, not succumb to emotion, and wait until natural economic laws begin to function. Of course, the extent of their functioning will depend on the extent to which we restrict the inflationary increase of wages.

Polish Television: The program you have presented will only make sense if it accepted by most of society. What kind of activity can one expect in the nearest future to promote this program and inform society about it?

L. Balcerowicz: One way of doing that is to present the program in a way that is clear and comprehensible to society. That is the first step, and there will be further steps. At the same time, one cannot undertake superficial activity "just for show," because that causes nothing but illusions. The program is a difficult one, and no other program is possible, unfortunately. However, society's acceptance of this program depends on the publicity you give it in the mass media, ladies and gentlemen.

BBC: During your private talks in Washington, you allegedly said that the rate of inflation in Poland at the end of this year might be 900 to 1,000 percent. Could you confirm that or comment on it? My second question is about the fact that no more extra money is being printed. Is that part of the first phase of the program, or second phase?

L. Balcerowicz: The figure of 900 percent is an estimate based on the assumption that we will reduce the extent of the indexation of wages. If we do not do so, and if the indexation is preserved in its present form, then prices may rise much more. The printing of extra money, in other words a reduction of the budget deficit, is both a short-term and long-term goal. I said that our task in the first phase is to reduce by the end of the year the budget deficit, which is Z4.9 trillion right now. There are real chances of doing so.

GAZETA BANKOWA: You said the budget would be consolidated by selling off some state assets. What exactly is going to be put up for sale?

L. Balcerowicz: Various things. The entire matter is still in the preparatory stage. Many legislative steps are called for. An ignorance of legal and legislative procedures may make some observers think that the government is moving slowly. However, we do know what kind of assets could be put on sale to the public in such a way as to prevent surreptitious profiteering. Such assets include communal facilities, certain components of production plants, state treasury shares, and shares in some economic units.

ANSA: Has the IMF already agreed to the program that you have presented?

L. Balcerowicz: I met with IMF representatives in Warsaw several times before I left for Washington. During these talks we presented the preliminary provisions of our economic program, which will later be conveyed to Polish public opinion in their final version, and these preliminary provisions were well received by my interlocutors. The IMF representatives said that such a program, in a suitable final form, may provide the basis for a rapid agreement on the subject of the adjustment program. On 16 October we expect the arrival of a commission which will help representatives of the Polish administration to work this program out quickly. There is a major chance of this program being approved by the end of November. In fact, the West's entire support hinges on this agreement with the IMF.

GAZETA WYBORCZA: We have been promised a government economic program for almost 2 weeks. There have been major expectations. In the end, we still

have no program, just a draft thereof. I would not even call it a draft, but the outline of a draft. So when will we have the program?

L. Balcerowicz: I understand that you have expressed your own private opinion, which I will refrain from commenting on. The draft of the program is being prepared. Its outline was discussed by the Council of Ministers. The opinions expressed there were the opposite of yours. The program will be published next week in an improved version, taking into account the opinions of the Council of Ministers.

ZOLNIERZ WOLNOSCI: Does the government intend to apply for special powers in order to implement this program?

L. Balcerowicz: "Special powers" means different things to different people. There is enormous pressure to undertake fast action. In some matters, the legislative process is lengthy, but there are very concrete matters involved, and we will try and make the legislative procedures shorter.

INTERPRESS: The legislation on Polish private enterprise permits all kinds of intermediary bodies, which annoys public opinion. Are any extra legal regulations foreseen which would encourage more production and less services of this nature?

L. Balcerowicz: I realize the phenomenon, and know that it worries Polish society. I think there are various reasons for this. First, it is very easy to increase prices. The entire anti-inflation program is meant to solve this problem. Apart from that, we are dealing with cases of economic abuse, such as reserving for oneself the exclusive right to sell certain products. Cases like these are being investigated. In addition, state enterprises are weighed down by various rules that actually encourage one to escape to various intermediary bodies. This is also being investigated by the Finance Ministry, and we intend to take certain steps to change this state of affairs.

EL PAIS: Does the government foresee the possibility of a referendum to gauge society's support for the program, as Premier Mazowiecki has suggested?

L. Balcerowicz: This was not one of the subjects discussed during the government's last meeting.

TASS: We know that Poland is very closely linked to the economies of the socialist countries,including the USSR, and we know that Poland's debts are quite heavy—6 billion transfer rubles and around $1.5 billion, if I may say so. Are there going to be any changes to financial-credit or economic relations? Does the government intend to work out some other strategy, or will it adhere to the old one?

L. Balcerowicz: You have touched on two problems, one general, and the other very detailed. We realize the importance of economic relations with our closest partners, especially the Soviet Union. We want to continue to receive uninterrupted supplies of raw materials from the USSR, and we know how important that is for our economy. I hope that the preliminary agreements that have been made in this sphere are being respected by the socialist countries and Soviet side. At the same time, we are very interested in improving the mechanisms of cooperation between Poland and CEMA countries, including the USSR, and work on this is under way.

The detailed problem concerns Poland's debts to the Soviet Union. Unfortunately, one of the figures you quoted is wrong. We owe 5 million transfer rubles. The amount of dollars we owe is correct, though. The situation is such that the servicing of our debts to the East is more expensive than the serving of our debts to the West, which surprises our Western creditors. Of course we want to solve this problem, and we hope to hold talks on this subject quickly.

ZYCIE WARSZAWY: You are declaring war on the old system, and yet you are resorting to measures that have been connected with this system for many years. I have in mind the administrative decision to withhold payments out of profits and pay out the senseless "bonus" in the final quarter of every year. Prices are not going to be controlled any more, and yet you want to control the wage fund. In a situation where enterprises can pass any tax imposed on them onto the prices of their products, do you think what you are saying is feasible? Second, in a situation of high inflation, investment and production cycles do not necessarily encourage enterprise. Do you not think this could lead to high speculation involving capital?

L. Balcerowicz: The expression "war on the system" was used in a discussion, so please do not attribute it to me. However, in our aim to rapidly convert the economic system during the initial phase, we are indeed preserving the old mechanisms of preventing an excessive increase in wages simply because we perceive a fundamental difference between the system we have at present and the free market system toward which we are heading. In a market economy based on forms of ownership by people intent on making a profit, there is a natural opposite force in the form of people who, acting in their own interests, grant pay rises, but only to an extent justified by an increase in productivity. The problem is that in a system based on state ownership, there is no such opposite force. We are faced with a very difficult choice. Should we dispense with wage control mechanisms and risk fast wage increases, or should we preserve these mechanisms? I think that such mechanisms in the form of taxation are essential, at least for the time being. One should not conclude that they will remain in force forever. But if we were to remove these barriers and maintain the system of indexation of wages in force, then wages would rise tremendously, as a result of which the rate of inflation, compared with prices at the end of last year, would not be 900 percent, but many times more.

There will be a more restrictive financial policy, so that money becomes harder to come by.

ZMIANY: We have been struggling with a shortage of foreign currency for many years, and it is not easy to receive credits. On the other hand, we know that Poles keep dollars underneath their mattresses. Do you not foresee the possibility of selling dollar shares to the public?

L. Balcerowicz: I do not rule out such an idea. Generally, I would consider it desirable to make use of the population's dollar reserves for production purposes. The possibility of this is presented by the development of various private initiatives in Poland.

RYNKI ZAGRANICZNE: A unification of foreign currency exchange rates is a very frequent prerequisite for any agreement with the IMF. Is the same condition being applied to us? Because of the drastic balance of payments, is any extra export-boosting activity foreseen during the transitional stage?

L. Balcerowicz: As far as the IMF is concerned, I would expand the question. The IMF normally imposes this condition on countries with a so-called liberal economy. Yet we are dealing with institutional changes in Poland, toward a market economy and toward financial stability, in other words the defeat of inflation, a reduction in the budget deficit, and an improvement to the balance of payments. During my talks, we clearly said that it is impossible to pursue three things at the same time. From the point of view of Polish interests, it is possible to pursue the first two items, in other words achieve financial stability and defeat inflation. Because of the difficult situation in which we are starting, it is impossible for the time being to pursue the third objective, improving our balance of payments, which would mean paying off more of the interest on our debts. I hope the IMF will understand our point of view. If we pursue the first two objectives steadily, and it lies in our best interests to do, so, then we can expect certain concessions, and a certain breathing space in servicing our debts.

No one expects us to introduce a single exchange rate for the zloty and make it convertible overnight, before we have received the stabilizing loan. As far as export-boosting activity is concerned, one has to notice at least two things. First, this is a question of the profitability of exports calculated in zlotys. They can be preserved either by means of tax concessions, or by means of a suitable exchange rate for the zloty. When we begin to pay more zlotys for each dollar, then our exporters will have more zlotys for each dollar they earn. We envisage a uniform exchange rate at a level that is favorable for exporters. Generally speaking, it is easier to apply a suitable exchange rate than tax concessions, apart from which concessions always make people ask for more of them, resulting in an inflation-boosting flow of concessions that would be difficult to overcome. Financial stimuli are only one consideration when deciding whether to produce for the home market or for export. The other consideration is the effort required for particular activity. This effort is a strong point in favor of selling our goods on easy markets, including the home market.

Andrzej Bratkowski, RES PUBLICA: You have not said anything about influence on the investments sphere. How much stronger will the demand for investments be combated than the demand for consumer goods? Does the government foresee any emergency measures with regard to investments, and any improvement in this sphere?

L. Balcerwoicz: This loophole was unintentional. We are not only concentrating on incomes and consumption, we are also paying attention to the problem of investments. The Central Planning Office is preparing an assessment of central investments. One should not expect major possibilities of cutting down on investments. According to our figures, specific central investment projects, in other words those that bear a name, constitute slightly more than 6 percent of total investments. To these one ought to add those investments that, although included in the category of enterprise investments, were actually begun with the approval of the central authorities. But these are not worth a major amount. Nevertheless, we are reconsidering them. The Central Planning Office is undertaking research, and certain decisions will be made. At the same time, we are working on ways of smoothly transferring these investments to other enterprises that are more interested in expansion. Why should they be? For various reasons, including prestige, apart from which investment is a form of escape from inflation. As soon as funds for the so-called development fund have been gathered, there is a tendency to spend them as quickly as possible. And yet, in the present system, there is hardly any risk of excessive investment, because there is no danger of bankruptcy. Only a change of situation can bring a solution to the problem. The system toward which we are heading changes both these elements. Any enterprise decision about investments will have to be considered much more carefully, and the situation on the so-called investments market will change. The imbalance between, on the one hand, the supply of services and goods from building enterprises and machine manufacturers and, on the other hand, the demand for these services and goods by manufacturing enterprises will diminish.

GOSPODARKA, ADMINISTRACJA PANSTWOWA: I would like to ask about the rules whereby the structure of ownership in state enterprises will change. A joint-stock company was formed out of the "Diora" State Radio Plant in Dzierzoniow in the middle of September, and the state assets there were valued according to the prices that were in force in 1983. Representatives of the Finance Ministry protested against this, but to no avail. How will it be in future? Will joint-stock companies involving the capital of, for example, foreign enterprises, also be assessed in terms of 1983 prices?

L. Balcerowicz: I do not know this matter, just as I do not know many other detailed issues. However, I have discussed the principles of privatization on other occasions, and I do not wish to repeat myself.

REUTER: You said that abolishing the indexation of wages as of the beginning of next year is very important,

and that the government is keen on doing so. What will the government do if it fails to gain support for this move?

L. Balcerowicz: The question is not quite right. I said that we envisage either the abolition, or the suspension, or a major reduction of indexation. Various solutions are being considered. If none of them are adopted, hyperinflation will continue. The government is determined to prevent that.

Polish radio: How does the government imagine the sale of state assets? Can people who do not have too much money buy them (as illustrated by the sale of bonds, which are most frequently sold in Z100,000 denominations), or is our meager industry supposed to be bought by Western firms, who are probably not interested in it?

L. Balcerowicz: The example you have given illustrates something completely different. It illustrates people's readiness to purchase bonds. I think this is a very encouraging picture.

However, we think it would be a problem if people who do not have large sums of money were to purchase bonds. We will introduce remedies, for example the purchase of bonds on credit. However, this must be kept to certain limits, so that it does not clash with certain principles, the first of which is that privatization is based on economic rules, and the second of which is that privatization helps the government's anti-inflation program. After all, bonds are one possible source of income for the government, as a result of which we will not have to print empty money.

NEUE ZUERCHER ZEITUNG: We have heard that unemployment is very likely in Poland, and that the unemployed will be paid benefits. Is there any idea of the size of these benefits, will they be closer to wages or closer to pensions, and how long will one be able to draw them?

L. Balcerowicz: I perceive the meaning behind your question. You probably mean that the level of these benefits should be such that people find it profitable to seek employment. Well, we have considered the provisions of legal instruments in this sphere, and they take into account this major aspect of the matter.

In the second half of the conference, Malgorzata Niezabitowska answered questions from journalists. One question that kept being asked concerned the problem of the legal and illegal entry of GDR citizens to Poland. Journalists asked for information on border incidents.

[Unattributed question] We have information that Polish border guards organized hunts for those who had swum across the Odra river, and that Polish farmers helped escapees to get out of the border zone.

Niezabitowksa: According to information from the Frontier Guard command, no GDR citizen whose papers were in order has been detained. However, since 18 September, 407 people who tried to cross the Polish border illegally have been turned back. The Polish Government believes that question of the refugees is a matter to be settled between the FRG and GDR, and we are trying to help those who have found themselves in Poland. One example of Poland's good intentions is yesterday's addition of several railroad coaches to the East German train that was taking the refugees to the FRG. As far as incidents on the Polish-GDR border are concerned, we are receiving new information all the time, which we will try to pass on to you.

M. Niezabitowska referred to the previous conference, at which she had expressed her personal opinion about the statement by Israeli Prime Minister Shamir whereby Poles suck anti-semitism together with their mothers milk. At that conference, she said that Prime Minister Shamir had insulted the Polish people. She had been asked why the Polish Government had not adopted any official stance on this. This time, she said: The government has not adopted a stance because this is not an official statement by the Israeli Government, but merely a statement by Mr Shamir. Therefore the government considers it inappropriate to speak out on this subject, especially because the possibility of diplomatic relations is being considered. However, I have heard that many ministers share my opinion on this subject.

GAZETA WYBORCZA: GAZETA WYBORCZA is still being censored. Does the government intend to make personnel changes to the Main Office for the Control of Publications and Public Performances [GUKPIW], and will it issue this office with any guidelines on how it should behave? When can one expect the announced measures vis-a-vis PAP?

Niezabitowska: I know nothing about personnel changes to GUKPIW. As for censorship, I know that the GLOS monthly has been censored recently; to be exact, an article by Wieslaw Chrzanowski. The number of cases of censorship is diminishing. The chairman of GUKPIW told me so. As far as PAP is concerned, I can only repeat that we see the need for certain changes, including structural ones.

[Unattributed question] Are there any talks being held on legalizing the employment of Poles abroad?

Niezabitowska: I know nothing about such talks, but I will try and find out.

LE POINT: Has a date for Chancellor Kohl's visit to Warsaw been set?

Niezabitowska: The German side has suggested 10 November, and we are checking this date in our diary.

LA VANGUARDIA: Could you give an approximate date for Premier Mazowiecki's visit to Moscow?

Niezabitowska: There are no details yet. The date of the visit will be announced soon.

M. Niezabitowska also referred to the fact that the previous government had bought Lancia cars for official

purposes, something which has caused anger. She said that the Italian side had considered it a breach of good custom to reveal the details of this contract. She said that the cars cannot be auctioned off because the seller has specified what should happen to them, and the terms of the contract are more favorable for Poland. If the contract were breached, the Polish treasury would incur costs far greater than the income derived from selling the cars. In addition, she said, I have been told that Lancia cars are much more economical than the ones that were in use previously. For example, they burn 1,000 liters less fuel per year. I think this is the most important consideration for the government right now, and we are dealing with the matter calmly, although many ministers have no intention whatsoever of traveling in a Lancia. This is another problem we have inherited.

Lech Walesa Holds 5 Oct News Conference

AU1110124989 Warsaw TRYBUNA LUDU in Polish 6 Oct 89 p 2

["wu-zet"-signed report: "Frank and Diplomatic"]

[Text] Lech Walesa was brutally frank about Polish domestic affairs and diplomatically evasive about international affairs in the answers that he gave to questions from Polish and foreign journalists on 5 October at one of his regular press conferences at the headquarters of the Independent Self-Governing Trade Union in Gdansk.

Reporters were interested in the impressions that he took away from his meeting with the king of Spain and were told that the impressions were positive ones.

Asked about the issues that he intends to raise before the two chambers of the U.S. Parliament, he provided an impromptu outline of a speech in which he intends to appeal for far-reaching economic and technological aid for Poland as a form of recognition for the contribution that our nation has made to the establishment and development of American democracy and wealth.

Prices dominated the domestic issues that were discussed at the meeting. L. Walesa told journalists that he was concerned about the current situation in the marketplace.

He said: "Society is furious with Walesa, Mazowiecki, and itself. We are sitting on a powder keg of social discontent, and the fuse is already burning."

According to L. Walesa, the country is on the verge of unrest. This makes it necessary to conduct a frank and open information policy regarding the reasons for price increases and to get down to work, to get used to certain difficulties, and to pass calmly through this current stage in reforming the national economy with the painful effects that it entails for the standard of living.

L. Walesa repeated what has already been expressed in other statements about the need to attract more Western capital to Poland and introduce changes in ownership that would affect about 80 percent of state enterprises. He said that he was in favor of depoliticizing public institutions—the Army, militia, and state administration—along with curbing the influence of "Solidarity."

Radio, TV Chief Visits Katowice Media Meeting

LD0610145889 Warsaw Domestic Service in Polish 1105 GMT 6 Oct 89

[Text] Radio and Television in Poland Today and Tomorrow is the subject of a meeting in Katowice.

The model of radio and television in Poland is the subject of a meeting between Andrzej Drawicz, chairman of radio and television, and employees of the radio and television center and Poltel, which is going on in Katowice. The meeting in Katowice is the first meeting outside the capital for the new head of the radio committee. The Katowice center has its achievements in popularizing culture, but that is not the reason for Andrzej Drawicz's visit to Silesia.

[Drawicz] Disquieting signals are coming in from here about aggravated problems that are appearing here, about the fact that a wave of criticism (?is being heard) about the radio and television here from all sides: from the associations, which are being formed now or are currently reactivating their activity, and from the regional Solidarity authorities. Letters, to speak of a certain letter, and a war of declarations which went on here, after all, you also know very well about that, and that in this situation my role, as far as it is possible, ought to be the role of a person who familiarizes himself with the situation, tries to understand it, tries to understand the arguments of all the parties, and tries to help find a constructive solution to eliminate the sources of these tensions because in the long term, one cannot work sensibly in these conditions.

Addresses Broadcasters on Changes

LD0710041489 Warsaw PAP in English 2000 GMT 6 Oct 89

[Text] Katowice, Oct. 6—Chairman of the Radio and Television Committee Andrzej Drawicz met here Friday with employees of the local radio-TV centre. The meeting was attended by members of Poland's both journalists unions, SDP [Association of Polish Journalists] and SDPRL [Association of Journalists of the Polish People's Republic], and trade unionists from Solidarity and the All-Poland Trade Union Alliance OPZZ.

"The government of Prime Minister Mazowiecki is pursuing its policy basing on Christian ethics. Assuming the post of radio and TV chairman I became a civil servant. Therefore, realization of the government's intention is my duty, key goal and imperative," Drawicz said.

"This post involves the need of a programmatic, organizational and personnel restructuring—an evolutionary

one, but radical, too. One should protect what was good in the hitherto accomplishments and eliminate what was wrong," he stressed.

"I see myself as an initiator of changes. Television should start with a public self-criticism and evaluation of the role it had played especially during the past seven years. It should protect what is good and eliminate what is wrong and compensate for the wrong done. However, the most difficult thing is not to succumb to the atmosphere of intolerance and revenge. I feel a pressure of part of the public opinion to undertake decisions concerning another verification. This would be in contradiction to the government's present aims. Thus I will not give-in to this pressure. This, of course, does not exclude necessary staff changes in TV and radio. Television and radio should be socialized, open, serve information, culture, education, entertainment." Drawicz also said that he intends to bring about the change of the status of the radio-committee. One should make a gradual organizational restructuring to stimulate teams working in radio and television to rational, peacefull work for the cause of normalization and normality, said Drawicz.

Appoints Broadcasting Commission

LD0910201789 Warsaw Television Service in Polish 1830 GMT 9 Oct 89

[Text] In association with society's expectations that there will be fundamental changes in the principles of radio and television operations in Poland, Andrzej Drawicz, chairman of the Radio and Television Affairs Committee, has appointed a special commission to develop a comprehensive program for activities in this respect.

The commission, chaired by Karol Jakubowicz, will undertake problems of the legislative direction of radio and television program policy activity, the work of journalistic and program teams, and also the structures of organization and management, taking into account economic and financial systems. In its work it will take account of the stance adopted by pro-reform forces during the roundtable deliberations, the views of the fundamental social and political forces in the country, and also the demands made during the discussion on this subject, on the subject of the current (?debate) among radio and television workers and in the pages of the press.

With the aim of the maximum socialization of the course and results of its activity, the commission asks all those interested to send remarks, proposals, and suggestions that can be helpful for its work to this address: Radio and Television Affairs Committee, General Secretariat, PO Box 35, 00-950 Warsaw.

Journalist Union on Personnel Changes

LD0710044189 Warsaw PAP in English 0008 GMT 7 Oct 89

[Text] Warsaw, Oct. 6—The Presidium of the main board of the Association of Journalists of the Polish People's Republic SD PRL issued here today a statement which reads in part:

"The Presidium of the SD PRL deems it necessary to state that the ever more frequent practice of appointing editors-in-chief without consultating editorial staffs and organisations operating at editor's offices is unacceptable. The KULTURA and TYGODNIK SOLIDARNOSC weeklies may serve as the latest examples and the WALKA MLODYCH weekly is the earlier case. In this way the Presidium of the SD PRL calls for respecting the subjectivity of editorial staffs creating papers and responsible for their professional image.

"At the same time, we express deep concern over the recent facts in personnel policy of the management of the Committee for Radio and Television. They are a proof of ignoring and breaching the principle adopted at the round table talks that a journalist cannot bear professional responsibility for his political views. Some of the personnel changes in radio and television as well as the manner of their introduction have a character of an expulsion from the profession for political reasons and they resemble those ill-famed verifications of journalists of 1982 which were condemmned by our milieu."

Weekly Argues Need for Media Reform

PM0910093189 Warsaw TYGODNIK SOLIDARNOSC in Polish 15 Sep 89 p 13

[Jerzy Surdykowski article: "From 'Massive Communization' to Social Communication"]

[Text] We now have a government with a Solidarity premier; somewhat earlier, we saw the reinstatement of the Polish Journalists' Association [SDP]—which had been illegal for 8 years—and an unprecedented easing of censorship. But we still feel that the mass media have changed least of all: The same all too familiar faces still address us in the accustomed fashion; we keep reading the same phrases; newspaper columns and television screens keep putting up the same facade of the standard propaganda of the long-compromised system. Where does it all come from? What should we do to change it?

The Most Long-Lasting Legacy of Stalinism

The organization, day-to-day operation, and control of the press, radio, and television in the Polish People's Republic stem logically from the state political system which has been in force heretofore. It would have been unrealistic to expect them to be different or to serve ends other than ensuring that the Polish United Workers Party [PZPR] apparatus holds a monopoly on leadership in the field of information and the dissemination of views and opinions. As a result, a mass communication

media system was created on the principle of a strictly one-way flow—or, rather, thrust—of information and opinions from the "upper" to the "lower" echelons. Despite all the recent attempts at liberalization, this is still a very far cry from the role fulfilled by the press, radio, and television in democratic societies, where they are combined in a system of "social communication" which provides communication channels between various social groups and organizations and ensures a free flow of information, views, opinions, and so on.

Below is a list of the elements of the system which guarantee that the mass media remain in the control of the leading party apparatus:

1. State monopoly on radio and television. The Committee for Radio and Television [often referred to as the Radio Committee] is a public institution in name only—in fact, it is a state body whose management has hitherto been appointed by the PZPR leadership. It is worth noting the PZPR's adamant resistance to the proposal, submitted both in the 1980-81 period and earlier this year, during the round table talks, to place the Radio Committee in the Sejm's control rather than, as before, under the command of the Chairman of the Council of Ministers;

2. Quasimonopoly on press publications by the "Prasa-Ksiazka-Ruch" Workers' Publishing Cooperative [RSW], which is formally a cooperative run by legal persons, with the PZPR holding the controlling share, but is in reality a party-state institution for the control of the printed word. Though at present the majority of press titles are handled by other publishers, the RSW is still responsible for the publications with the highest circulation. It also publishes most of the daily papers (including such so-called nonparty dailies as ZYCIE WARSZAWY and such "alternative" local dailies as, for example, DZIENNIK POLSKI in Krakow and DZIENNIK BALTYCKI in Gdansk, and also evening papers), almost all magazines, sports papers, and others in the category of the most popular, high-circulation press titles. The history of the RSW is a story of the gradual monopolization of the printed word by the PZPR leadership echelon according to the Stalinist principle of wholesale political conditioning of people's minds. In the seventies another, no less important goal was placed before the RSW: to supply the necessary resources for the support of the party and its apparatus. This charted the course of the monopolization process and still further intensified it. During that period the RSW took over several highly profitable institutions, including the Ruch retail and subscription enterprise, the Ksiazka i Wiedza publishing house, the KAR National Publishing Agency, the Youth Publishing Agency, the Ars Polona foreign trade enterprise, and even a bentwood furniture factory in Henrykow near Warsaw. The RSW is the owner-monopolist of all high-capacity printing works which handle press publications. The launching of the RZECZPOSPOLITA daily paper and publishing house did not break the monopoly because right until the appointment of the present government headed by a Solidarity representative the RZECZPOSPOLITA publishers shared their political taskmaster with the RSW;

3. The monopoly of the Polish Press Agency [PAP];

4. The rationing of paper and press publication print runs;

5. Political control exercised by PZPR leadership echelons over press publications owned by the "allied parties." This is evident from both an analysis of the content of those publications and the history of the so-called "verification" [vetting] of journalists in the period when, after the imposition of martial law, journalists working for the United Peasant Party, Democratic Party, or PAX [Lay Catholics' Association] press publications and known to sympathize with Solidarity were dismissed from their posts even more ruthlessly than RSW journalists. This control was partly eroded during such times of political crises as 1980-81 and the present, post-roundtable period;

6. Preemptive censorship;

7. Police suppression of underground, uncensored publications, which was not abandoned until after the roundtable talks;

8. The peculiar system of "multilevel guidance" applied in the radio, television, the RSW, and the "allied parties'" press publications. This can be defined as a proliferation of management structures ultimately answerable to one overall political taskmaster while being administered at the intermediate level by a variety of parallel agencies. For example, in the RSW system the individual papers, publishing houses, and other entities are subordinate to the management of this publishing "cooperative," except for personnel matters and the political and professional profiles of individual publications and their editorial staff, which lie within the exclusive competence of the the relevant departments of the PZPR Central Committee or voivodship party committees. Another "control channel" is the interventionist censorship, to be applied whenever the controls exercised by the aforementioned mechanisms happen to be too lax, allowing dangerously bold texts through their nets. Should this highly complex system of guidance and control break down (as invariably happens in the periods of political crises), it is still possible to intervene through the "emergency channels," the first of these being the security service (each paper's editorial board has its own allocated "guardian"), and the other being the possibility to adjust paper allocation quotas and the permitted print runs.

All the previous changes for the better which took place in earlier periods of political crises involved some degree of liberalization of the existing system and some restriction of the monopoly principle, but they never came near to changing the system itself and abandoning its Stalinist core. This is true even today, at a time of so many

virtually unprecedented changes. This is because the core of the system (that is, preemptive censorship applied to all communications designed to reach a large group of recipients, political control maintained by the PZPR over the day-to-day operation and personnel policy in the more important mass communication media, and the PZPR's monopoly, or quasimonopoly, on the key sectors of public communication regarded as major propaganda vehicles—especially television) has not been disturbed at all, even with all the changes negotiated during the roundtable talks.

Consequences of Martial Law

The social communication system (this term first became justifiable during the 1980-81 period) was one of the main targets—beside Solidarity structures—of the blow struck by the authorities on the night of 12 December and in the early hours of 13 December 1981. It is worth recalling that, in parallel with the wholesale internment of opposition activists, all periodicals and daily papers were suspended, along with almost all radio and television broadcasts—with the exception of a few programs closely controlled by the then ruling group; it is also worth recalling that the SDP was the first public organization to be suspended, along with the Polish Game-Shooting Association (weapons!). Subsequent days and weeks of martial law brought further moves by the authorities, all following the same, consistent course and aiming at the same objective. These moves are well remembered by the majority of the public, and so, for the sake of brevity, I will refrain from listing them here.

A most important, although probably unintended, consequence of these moves was the emergence of a new community of journalists, centered around either underground press publications or independent Catholic periodicals. This group included some well known figures who had either been dismissed from their posts in the state-controlled mass media as a result of the "verification" operation, or else refused collaboration with these media. On the whole, however, it was composed of young people with no previous experience of journalism, whose first apprenticeship in the profession was in the underground press. There are very few links between these new journalists' circles and the old-type journalist community, which had opted for subordination to the ruling group and membership of the Association of Journalists of the Polish People's Republic [SD PRL] (though this choice was made more often than not for opportunistic rather than ideological reasons). In some cases we can even speak of an unbridgeable gulf created between these two groups after 1981.

Social Communication and Journalism After the Roundtable

As I pointed out earlier, the highly spectacular changes of the present time—albeit important both for journalists and media consumers—indicate nothing more than a liberalization of the system. The whole "political skeleton" of the neo-Stalinist propaganda system has so far emerged unscathed from the recent difficulties. Its symbols are many: not only Jerzy Urban but also a long line of other familiar pens and faces firmly associated with martial law propaganda and yet still continuing to address us today, as if from monopolists' positions, in the totally new political circumstances of the latter half of 1989. This leads to the inevitable conclusion that, despite the roundtable and the elections, nothing much has changed in Poland at all, and that the political levers controlling our mass media are still in the same hands which also wield the nightsticks of the Civic Militia Motorized Reserves. Unless the new government makes some radical changes in this sphere—changes observable from every Polish home—it will only convince us of its powerlessness.

At the same time the considerable easing of censorship practices has led to a drop in public demand for the "alternative" press and all the other forms of underground publications. Some of those publishing enterprises intend to become legalized, but these will be small-scale ventures addressed to a select, elite readership. The majority have come to terms with the inevitable "self-liquidation." The hopes for a prompt creation of a legally operating publishing network which would put out a number of high-circulation Solidarity papers—and other independent titles—have failed to materialize, mainly because of financial difficulties, since the RSW monopoly on printing works and quasimonopoly on press distribution (which has been broken only partially in several larger cities), combined with the inflated cost of paper, have ensured that every potential press-publishing venture would have to be written off as unprofitable.

Consequently, work opportunities for independent journalists have decreased rather than increased since the roundtable talks and the elections. The creation of GAZETA WYBORCZA and TYGODNIK SOLIDARNOSC changed the situation only marginally, and this mainly in Warsaw; Outside, the overall situation is still critical. Journalists of the aforementioned "new circles," now grouped mainly in the reinstated Polish Journalists' Association, have every reason to feel that they have been deceived and left to their own devices. The act on the reinstatement of employees dismissed for trade union activity does not, in practical terms, apply to journalists, since their dismissals in the wake of the "verification" campaign either were the consequence of their "incorrect" views or their activity in the SDP—which, of course, is not a trade union—or were simply an act of revenge by the party apparatus. In any case, in a profession as politically charged as journalism there is virtually no chance for a person dismissed for political reasons to rejoin an editorial board run by the same people as during the period of martial law and supervised by the same "taskmaster." Moreover, the younger generation of independent journalists who did their apprenticeship in the underground press has equally poor chances of finding work in the profession.

What Changes Should Be Made and How To Get Out of the Impasse

The assumption of the office of head of government by a Solidarity representative has created entirely new opportunities for introducing instant changes in the media system. It is to be expected that by the time the present article appears in print, new and uncompromised people will already have been appointed to such cabinet offices as information minister, Radio and Television Committee chairman, and government press spokesman.

However, it is within the competence of the government and its head to institute a whole package of further measures, all of which can be implemented immediately. These are:

1. Changes in the Radio and Television Committee—including not only personnel changes in top executive positions, but also an adjustment of the structure and day-to-day operation of the Committee making it compatible with the new political circumstances; elimination of the "multilevel guidance system"; a severing of the strings that traditionally made radio and television subordinate to party committees; and reinstatement of all personnel dismissed for political reasons;

2. Change of the profile of the government daily paper RZECZPOSPOLITA so that it constitutes a faithful organ of a government representing a civic state instead of a single, dominant political party;

3. An analogous change in the profiles of PAP and the Central Photographic Agency: They must cease playing the role of organs of political propaganda and instead become vehicles for the dissemination of objective information, acting in the interest of the citizens' state. The state executive authorities must implement all measures within their competence to provide opportunities for the operation of other, competitive and independent news and information agencies;

4. The INTERPRESS news agency forms a part of the "Prasa-Ksiazka-Ruch" RSW concern, and therefore any measure taken in relation to it may be precluded by legal considerations remaining outside the competence of the executive authorities. Nevertheless, it is necessary to apply all measures possible in the present circumstances in order to change its profile in line with that of the agencies discussed in the preceding paragraph. This is essential in view of the special significance of the INTERPRESS agency as an institution responsible for providing news, information, and publications service to foreign journalists resident in Poland as well as foreign consumers abroad, and therefore responsible for Poland's image in the world's eyes. This responsibility cannot be entrusted to one party and its apparatus;

5. Formal declaration of the practice of vetting journalists, applied during the martial law period, to be unlawful and entirely unjustifiable, with all the consequences thereof, such as the right to return to work, recognition of uninterrupted period of service, restoration of pension entitlement, and so on;

6. Opening the system of social communication to journalists who have done their apprenticeship in the profession in the "alternative publishing network," even if they have no formal qualifications. Their professional competence could be initially assessed on the basis of a report from the Polish Journalists' Association, and subsequently judged by the results—successful or not—of their day-to-day work in competition with their colleagues;

7. Guaranteed equal status for the SDP and the SD PRL and a just distribution of the the assets seized by the SD PRL under martial law;

8. A ban on the security service's interference in the work of editorial staffs; abolition of the institution of "guardians"; cessation of surveillance of the journalist community;

9. Customs and tax concessions for persons and institutions importing technical equipment for the needs of the social communication media;

10. Demonopolization of paper production, sales, and distribution;

11. Encouragement of and creation of incentives for representatives of Polish communities abroad who may be interested in launching new publications, newspapers, publishing houses, and radio and television stations in Poland;

12. Prompt and sympathetic—as distinct from the traditional practice—treatment by the relevant ministries of matters involving the granting of the status of legal person to all foundations serving the development and expansion of the system of social communication. Examples which can be cited here include the already registered Malopolska Cultural Foundation (Solidarity) and the Free Word Foundation, whose launching is being planned by the SDP;

In addition, the government or the Citizens' Parliamentary Club should propose parliamentary initiatives which would eventually:

1. Give the Sejm control over the Radio and Television Committee;

2. Abolish the institution of preemptive censorship (at present the office of the state censor is answerable to the premier of the Polish People's Republic);

3. Result in the passing of the communications act—guaranteed already in the roundtable talks—which will abolish state monopoly on radio and television;

4. Introduce a reform of the tax system whereby sums of money donated by persons and institutions for various

public purposes, including support for a variety of cultural, educational, and mass media foundations, would be set against tax, as has long been practiced in the West;

5. Result in a reform and breakup of the RSW—which will probably turn out to be the most difficult of all the tasks outlined here. One of the major stumbling blocks will be the question of the ownership rights of this "cooperative" dominated by the PZPR Central Committee. After all, a liberal government headed by a Solidarity premier should not infringe anyone's ownership rights regardless of their origin. This is one side of the coin. The other, however, is the glaring injustice of a system in which a single, hitherto ruling party holds in its hands a monopoly on all major elements of the system of printed news and information, having appropriated control over institutions and installations which very obviously belong in the category of public property. With regard to this complex issue it will be essential to:

a) separate the distribution and retail sector from the RSW proper, along with other similar commercial institutions which have been artificially incorporated into it;

b) abolish the RSW's monopoly on the printing of press publications, and,

c) create an institution—subordinate to and supervised by the Sejm—whose role would be to publish for the citizens a nonparty press designed to provide reliable news, information, and social communication channels. Such an institution could be modeled on the Czytelnik publishing house which operated in the early postwar years and was later incorporated into the RSW; the RSW would be left to handle PZPR press publications only.

In order to enforce this breakup of the RSW concern, it would be advisable to invoke the rules of the antimonopoly act. The RSW should also be bound by the legal provisions of the common law on cooperatives.

The SDP did prepare a "Report on the Condition of Social Communications" once before. Because of the circumstances prevailing during the martial law period that report was never published and remained stored away in typescript. Today, as never before, circumstances are uniquely favorable to all attempts designed to turn our propositions into reality. And to turn the "massive communization media," as they are called by jesters, into true social communication media.

Leaders Send Message to Honecker on Anniversary

AU0610193389 Bucharest AGERPRES in English 1840 GMT 6 Oct 89

["On the 40th Foundation Anniversary of the GDR"—AGERPRES headline]

[Text] Bucharest AGERPRES 6/10/1989—Nicolae Ceausescu, general secretary of the RCP [Romanian Communist Party], president of Romania, and Constantin Dascalescu, prime minister of Romania, addressed the following telegram to Erich Honecker, general secretary of the CC [Central Committee] of the SED [Socialist Unity Party of Germany], chairman of the Council of State of the German Democratic Republic, and Willi Stoph, chairman of the GDR Council of Ministers:

Dear Comrades,

In behalf of the Central Committee of the Romanian Communist Party, of the State Council and Government of the Socialist Republic of Romania, of the Romanian people and in our own behalf, we address to you, the party and state leadership and the friendly people of the German Democratic Republic, a warm, comradely salute and most cordial congratulations on your national holiday, the 40th foundation anniversary of the German Democratic Republic.

The act of October 7 is an important event in your people's history, as it inaugurated a process of deep-going revolutionary socioeconomic changes, of building socialism on German land.

In the 40 years since the foundation of the German Democratic Republic, your diligent and gifted people has scored, under the leadership of the Socialist Unity Party of Germany, important achievements in building the developed socialist society, in the consolidation of the country's economic, technological, scientific and cultural potential, in permanently raising the working people's material and spiritual living standard.

The Romanian people follows with interest and sincerely rejoices over these remarkable successes of the working people in the friendly German Democratic Republic.

We note with special satisfaction that in the years of socialist construction, the relations of friendship, solidarity and fertile collaboration between the Socialist Republic of Romania and the German Democratic Republic have recorded continued development in all domains. We express on this occasion as well our firm belief that by working jointly, in the spirit and on the basis of what we have agreed together, we will have the relations of friendship and collaboration between the Romanian Communist Party and the Socialist Unity Party of Germany, between the Socialist Republic of Romania and the German Democratic Republic further expand and deepen, to the benefit of our peoples, of the cause of peace and socialism, of international detente and understanding.

On the day of the great jubilee, we address to you dear comrades, to the Communists, to all the people the wish for new and ever bigger successes in meeting the 12th congress of the Socialist Unity Party of Germany, in the firm advance of the German Democratic Republic on the road of socialist construction, in the struggle for peace, disarmament and progress. x x x

On the same occasion, the chairman of the Grand National Assembly and the foreign minister of Romania have sent congratulatory telegrams to the chairman of the People's Chamber and the foreign minister of the GDR.

Likewise, the National Council of the Socialist Democracy and Unity Front, other central institutions and mass organizations in Romania have sent congratulatory telegrams to similar institutions and organizations in the GDR.

Further on Ceausescu Activities in Berlin

Welcomed by Honecker

AU0610164789 Bucharest Domestic Service in Romanian 1600 GMT 6 Oct 89

[Text] Comrade Nicolae Ceausescu, secretary general of the Romanian Communist Party and president of the Socialist Republic of Romania, today arrived in Berlin to attend ceremonies marking the 40th anniversary of the founding of the GDR.

On leaving the plane, Comrade Nicolae Ceausescu was met and greeted with great cordiality by Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany [SED] and chairman of the GDR State Council, who extended a warm welcome.

The two party and state leaders shook hands with friendship and embraced. Comrade Nicolae Ceausescu and Comrade Erich Honecker were presented with beautiful flowers by a group of pioneers.

After Comrade Nicolae Ceausescu had introduced the officials accompanying him, Comrade Erich Honecker introduced the other officials who had come to welcome our party and state leader: Horst Sindermann, member of the SED Central Committee Politburo and chairman of the People's Chamber of the GDR; Werner Eberlein, member of the SED Central Committee Politburo; Guenther Maleuda, deputy chairman of the State Council; Herbert Krolikowski, first deputy foreign minister; and party and state activists.

Gheorghe Caranfil, Romanian ambassador to Berlin, and Herbert Plaschke, GDR ambassador in Bucharest, were also present.

Thousands of Berliners welcomed Comrade Nicolae Ceausescu warmly and enthusiastically carrying flags of the Socialist Republic of Romania and the GDR both within

Schoenefeld Airport and along the official route travelled to the residence reserved for the high-ranking guest.

Meets PDRY Leader

AU0710191789 Bucharest AGERPRES in English 1830 GMT 7 Oct 89

["Nicolae Ceausescu Meets 'Ali Salim al-Bid"—AGERPRES headline]

[Text] Berlin AGERPRES, 7/10/1989—On October 7 RCP [Romanian Communist Party] General Secretary Nicolae Ceausescu, president of Romania, met 'Ali Salim al-Bid, general secretary of the CC [Central Committee] of the Yemen Socialist Party [YSP].

The general secretary of the CC of the YSP expressed satisfaction at meeting Nicolae Ceausescu and stressed the particular appreciation enjoyed in his country by the activity carried out by the Romanian head of party and state on an international plane, his demarches and actions devoted to building a climate of security, understanding, peace and wide collaboration among nations.

During the interview the sides evoked the ties of friendship and collaboration established and growing between the Romanian Communist Party and the Yemen Socialist Party, between Romania and the PDR [People's Democratic Republic] of Yemen, setting forth the joint resolve to work for further expanding the collaboration between the two countries and peoples and considering that ample possibilities exist for an intensification of the bilateral relations, particularly of the cooperation in the economic, technical and scientific planes. The need was highlighted to set these relations on stable, long-term bases.

Nicolae Ceausescu and 'Ali Salim al-Bid also exchanged views in relation to current aspects of the world political life, special attention being paid to the problems concerning the elimination of force and of the threat of force from the international relations, the implementation of disarmament and the ensurance of peace, the eradication of underdevelopment and the setting up of a new economic order apt to ensure the economic and social progress of each nation, the setting in of a climate of detente, understanding and peaceful collaboration in the world.

Nicolae Ceausescu and 'Ali Salim al-Bid expressed the resolve of the Romanian Communist Party and of the Yemen Socialist Party to strengthen further the collaboration between them and to intensify, together with the democratic, progressive forces everywhere, the struggle against imperialism and the policy of domination and oppression and interference in the domestic affairs and of trespassing the peoples' independence and sovereignty.

The interview proceeded in an atmosphere of warm friendship.

Sees Zhivkov, Views 'Collaboration'

AU0710181089 Bucharest AGERPRES in English 1629 GMT 7 Oct 89

["Nicolae Ceausescu Meets Todor Zhivkov"—AGERPRES headline]

[Text] Berlin AGERPRES, 7/10/1989—On October 7, RCP [Romanian Communist Party] General Secretary Nicolae Ceausescu, president of Romania, met Todor Zhivkov, general secretary of the CC [Central Committee] of the Bulgarian Communist Party [BCP], chairman of the State Council of Bulgaria.

Nicolae Ceausescu and Todor Zhivkov manifest their satisfaction at meeting again and continuing the traditional summit dialogue which, on each occasion, opened new prospects to the collaboration on multiple planes between the two parties, countries and peoples.

During the interview the sides expressed the joint wish to work for more powerfully strengthening the relations of friendship and multilateral collaboration between the two countries and peoples, as well as for a more active collaboration between the RCP and the BCP in all the spheres of activity.

Nicolae Ceausescu and Todor Zhivkov also exchanged views on current questions of the world political life, of the international communist and workers' movement.

In this framework the need was stressed to strengthen the collaboration and solidarity among the socialist countries, among the communist and workers' parties in those countries in order to develop and consolidate the socialist gains and firmly reject any imperialist interference in their domestic affairs. Stressed was the importance of intensified dialogue and contacts and consultations among the communist and workers' parties in the socialist countries with a view to debating the problems posed by developing socialism at the current stage, by firmly applying the principles of scientific socialism to the concrete circumstances in each country, and by ensuring peace and independence to all the peoples in the world.

The interview and talks proceeded in an atmosphere of warm friendship, comradely esteem and understanding.

Meets With SRV Leader

AU0710153289 Bucharest AGERPRES in English 0820 GMT 7 Oct 89

["Nicolae Ceausescu Meets Nguyen Van Linh"—AGERPRES headline]

[Text] Berlin AGERPRES, 7/10/1989—Nicolae Ceausescu, general secretary of the Romanian Communist Party [RCP], president of the Socialist Republic of Romania, met Friday 6 October in Berlin with Nguyen Van Linh, general secretary of the Central Committee of the Communist Party of Vietnam.

The two party leaders expressed their satisfaction to meet again and continue their exchange of views on the development of the Romanian-Vietnamese relations, and on questions of the international life and the communist and worker movement.

Nicolae Ceausescu and Nguyen Van Linh underscored the good relationship between the RCP and the CP [Communist Party] of Vietnam, between Romania and the SR [Socialist Republic] of Vietnam which have steadily developed, in the spirit of the summit understandings. The joint determination was expressed for action in the direction of a further more vigorous expansion of the Romanian- Vietnamese cooperation in the political, economic, technical, scientific and other spheres of activity, which was shown to serve the interests of both countries and peoples, and the general cause of socialism, peace and understanding worldwide.

Taking up certain international political issues, Nicolae Ceausescu and Nguyen Van Linh emphasized the need for the strengthening of the cooperation and solidarity of the socialist countries, of the communist and worker parties, of the revolutionary, progressive forces everywhere in the fight against imperialism, against its actions and attempts to destabilize the situation in socialist countries, to undermine the achievements of socialism and socialism in general, to promote its policy of domination and oppression, of interference in domestic affairs and of violation of the peoples' sovereignty and independence. In context, the two party leaders favoured an intensification of bilateral and multilateral contacts of the socialist countries, of the peoples that build the new system to discuss the development of socialism at the present stage, the struggle for the defense and firm promotion of the principles of scientific socialism, for the progress and independence of all peoples, for cooperation and peace around the world.

The meeting and talks were held in an atmosphere of warm friendship, regard and mutual understanding.

Greets Hungarian Leaders

AU1110120289 Bucharest SCINTEIA in Romanian 7 Oct 89 p 5

[Message from Romanian President Nicolae Ceausescu to Hungarian Leaders "From Aboard the Presidential Plane" on his way to the Berlin National Day Celebrations]

[Text] To Comrade Rezso Nyers, chairman of the Hungarian Socialist Workers Party [MSZMP], Comrade Karoly Grosz, MSZMP general secretary, and Bruno F. Straub, president of the Presidential Council of the Hungarian People's Republic: Flying over the territory of the Hungarian People's Republic, I convey comradely greetings and best wishes to you and to the Hungarian people.

I express my belief, also on this occasion, that through joint efforts, the relations of cooperation and good-neighborliness between our countries and parties, will develop positively, for the benefit of the Romanian and the Hungarian peoples and in the interest of the cause of socialism, cooperation, and peace in the world.

Cables Honecker

AU0810172789 Bucharest AGERPRES in English 1645 GMT 8 Oct 89

["Telegram From Aboard the Presidential Aircraft"—AGERPRES headline]

[Text] Bucharest, AGERPRES 8/10/1989—From aboard the presidential aircraft RCP [Romanian Communist Party] General Secretary Nicolae Ceausescu, president of Romania, addressed Erich Honecker, general secretary of the CC [Central Committee] of the SED [Socialist Unity Party of Germany], chairman of the Council of State of the GDR, the following telegram:

On leaving the territory of your country I express once more vivid thanks for the comradely hospitality and warm friendship that surrounded us while in Berlin on the occasion of our participation in the festivities linked to the 40th foundation anniversary of the German Democratic Republic.

I am convinced that our new interview, the talks we conducted would go down as a new important contribution to the continuous development, based on the principles of socialism, to the good relations of friendship and solidarity between the Romanian Communist Party and the Socialist Unity Party of Germany, between the Socialist Republic of Romania and the German Democratic Republic, in the interest and for the benefit of our peoples, of the cause of collaboration and peace in the European continent and all over the world.

Returns to Bucharest

AU0810143489 Bucharest AGERPRES in English 2239 GMT 7 Oct 89

[Text] Bucharest, AGERPRES 7/10/1989—On October 7, at night, RCP [Romanian Communist Party] General Secretary Nicolae Ceausescu, president of Romania, returned to Bucharest from Berlin where he had participated in the festivities occasioned by the celebration of 40 years since the foundation of the German Democratic Republic.

The head of the RCP and the Romanian state was accompanied by Gheorghe Oprea, member of the Executive Political Committee of the CC [Central Committee] of the RCP, first deputy prime minister, and other officials.

The RCP general secretary, president of the Republic, was welcomed at the Otopeni Airport by Elena Ceausescu and by full and alternate members of the Executive Political Committee of the CC of the RCP, secretaries of

the party Central Committee, members of the CC of the RCP, the State Council and the government, heads of central institutions, of mass and public organizations. Siegfried Anders, GDR charge d'affaires ad-interim to Bucharest and embassy members were present.

Pancevski Congratulates Hungary's Nyers on Election

LD1110134289 Belgrade TANJUG Domestic Service in Serbo-Croatian 1123 GMT 11 Oct 89

[Text] Belgrade, 11 Oct (TANJUG)—On behalf of the League of Communists of Yugoslavia [LCY] Central Committee Presidium, and in his own name Milan Pancevski, president of the LCY Central Committee Presidium, has sent warmest congratulations to Reszo Nyers on his election to the post of chairman of the Hungarian Socialist Party [HSP]. The telegram expresses the conviction that relations between the LCY and the HSP will continue in the best tradition fostered over the decades between the LCY and the Hungarian Socialist Workers Party for the wellbeing of our peoples and of our two neighboring socialist countries.

Drnovsek Condolences to Vietnam's Vo Chi Cong

AU1110153289 Belgrade BORBA in Serbo-Croatian 7-8 Oct 89 p 12

[Text] Following the death of Huynh Tan Phat, president of the Socialist Republic of Vietnam, Janez Drnovsek, president of the SFRY Presidency, has sent a message of condolences to Vo Chi Cong, chairman of the Council of State.

Presidium Agrees to January LCY Congress

LD1010193189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1837 GMT 10 Oct 89

[Summary from poor reception] Belgrade, 10 Oct (TANJUG)—At its session today chaired by Milan Pancevski, the League of Communists of Yugoslavia [LCY] Central Committee Presidium agreed on a proposal to convene the 14th, extraordinary, LCY congress on 20, 21, and 22 January 1990. The final decision on the date and venue for the congress will be made by the LCY Central Committee at its next session 20-21 October.

LCY Committees Discuss Eurosocialism

LD1010233589 Belgrade TANJUG in English 1915 GMT 10 Oct 89

[Text] Belgrade, Oct 10 (TANJUG)—Without dialogue between the representatives of different orientations, the future of socialism as a world movement is doubtful, two committees of the League of Communists in Yugoslavia (LCY) Central Committee said at a joint session on Tuesday discussing Euro-socialism and the European left.

The committee members said that in the present crisis the revival of socialism is necessary, but that in Yugoslavia, as elsewhere in the world, the question arises as to the nature of this kind of socialism.

The meeting named the Italian and French Communist Parties and the West German Social Democrats as the leading force of the European left.

The LCY should set out towards Europe, even before the state if necessary. It should [word indistinct] both with the three West European parties and the reform forces in Eastern Europe, the meeting recommended.

The future cannot be ensured simply by the exchange of the Red Star with the Social Democrat carnation, as was recently done in Hungary.

Contrary to this, it was said, the Red Star in Yugoslavia was and remains the symbol of opposition to pressure. Economic and non-party pluralism are here no longer possible, as was the case in the late 1970's. This period is in the past, the LCY failed to make use of it and, as some participants of the session claim, Yugoslavia is facing the recognition of political and party pluralism.

In this respect, proposed was the postponement of the special party congress until the end of the debate on LCY's place in radical reforming, not (?revolutionary) socialism.

The several-hour debate did not question the fact that socialism is in a crisis, that Yugoslavia and its party have no strategy for emerging from the crisis and for adequate behavior towards Europe.

No opposition was, however, voiced against opinions that socialism has not been betrayed in Yugoslavia. The fact [words indistinct] Yugoslavia is inevitably being forced to also seek solutions from others regardless whether these solutions side with the socialists, communists of other countries or perhaps, the social democrats.

Press Views Danger of Terrorism Arising

LD0710215689 Belgrade TANJUG in English 2025 GMT 7 Oct 89

[Text] Belgrade, October 7 (TANJUG)—Whether terrorism is going to move into one of the "world's most secure countries" is a question being posed in the domestic press today on the occasion of several cases of explosive plantings in various parts of Yugoslavia.

While commenting on acts of terrorism that occurred in ten or so days before (fortunately, without tolls of human lives), the Zagreb daily VJESNIK found that "the most extemist protectors of nationalistic interests have started heralding wars among themselves."

After explosives went off in a bookshop of the Belgrade Prosveta publishing house and in a shop of Belgrade Progres enterprise in Zagreb, in the VJESNIK editorial board office and in the TANJUG correspondent's office in the capital of Croatia, western Yugoslavia, a threatening letter sent in by the so-called Croatian Nation-Building Brethren arrived, the paper announced.

This letter says that the said explosions are "only a warning to the Serbian centralist, unitarist and imperialist movement" and a support to goings-on in Slovenia, northwestern Yugoslavia, in which late last month carried out were controversial changes in that republic's

Constitution to make its substantiveness stronger and limit some (?federal functions) in its territory.

The Croatian Nation-Building Brethren inform the "Orthodox Shield" against "Islamic fundamentalism" in the Balkans that a real blast is to before long befall the Prosveta publishing house should it fail to withdraw its book of "The Satanic Verses" by Salman Rushdie, "insulting the religious feelings of Croat Moslems," VJESNIK wrote.

In Vjesnik's estimate, explosives are planted by (?those) who want to break Yugoslavia apart, now showing methods by which only is possible to do so.

For its part, the Belgrade daily BORBA pointed out that there have been attempts at defending "the Yugoslav cause." Jugoslavija, an organisation, has claimed responsibility for a shot into the window of the Ljubljana-seated Adria Airways office in the city of Sarajevo, central Yugoslavia, three days ago.

In an anonymous letter to VECERNJIAVINE, an evening paper, the same organisation has threatened with attempts on life [words indistinct] several top officials and prominent writes in the Republic of Slovenia, northwestern Yugoslavia.

Several editorial boards have received letters from an organisation whose assumed name is "Osovina" (Axis), with threats aimed at some journalists and publicists for their stiring up nationalist passions in Yugoslavia.

One could [words indistinct] a slanderous publication of "The Organisation for Substantiveness and Secession" in Sloveneia would be [word indistinct] by an organisation for unification as well, the paper wrote wondering whether decisions of all kinds in Yugoslavia must go all the way to lists of those to be killed.

For all that Yugoslavia's state security service has [words indistinct] at is disposal that the said organisations exist indeed, anonymous threats are indicating that shootings could happen in the days to come in Yugoslavia, BORBA said in conclusion.

Slovene Alternative Political Movements Viewed

AU0510150189 Belgrade BORBA in Serbo-Croatian 30 Sep-1 Oct 89 p 3

[Dragisa Draskovic article: "The Knights of the Round Table"]

[Text] At the celebration held at the Slovene Assembly after the amendments had been adopted, Milan Kucan, who had been sent to Belgrade the day before with the message to come back from the federal Central Committee session either carrying his shield or on it, received the largest number of congratulations and women's kisses. However, members of the Slovene alternative political movements have now had their appetite whetted by the political success of the official politicians and are trying various ways to gain publicity as quickly as possible. Now they are claiming that as many as five of the controversial six amendments were originally theirs.

This in fact is only a continuation of the usual political practice which the official politicians have already started to point to: While the official politicians directed their attention to how a particular amendment might be interpreted in other parts of Yugoslavia, the few representatives of alternative movements in the Constitutional Commission devoted more attention to the division of future power, primarily to how to enter the Sociopolitical Chamber and the division of power there. As expected, they were eventually completely outvoted: With 27 votes for and the 7 votes against by members of alternative movements, the Constitutional Commission adopted the majority principle for entering the Sociopolitical Chamber, which corresponds to the official principle. The advocates of the proportional principle, that is, the members of the alternative movements, had no choice but to publicly say that the sons of Bolshevism had robbed them again.

The Public at the Sight

However, Milan Kucan, Joze Smole, and particularly Miran Potrc were already aware of this and, probably as a result of the knowledge that the members of alternative movements always keep their finger on the trigger ready to shoot at the public, they decided to try to find a common language with the alternative movements—the future rival parties at the next elections—before all three Assembly chambers hold their session and the amendments are finally adopted. This was all the more necessary considering the clouds of anger that had already started looming over the proposed amendments. Thus, the round table was organized around which the knights of the alternative side and the official side sat and at which an agreement was reached for the sake of national harmony: The Constitution will not precisely establish the principle—majority or proportional—but will allow for the possibility of using both, and everything will be established in detail in the future electoral law.

However, only the uninformed thought that everything had been solved after that meeting of the knights of the round table, and those who monitor the Slovene alternative movements more carefully know that its representatives fight for the most they can get very patiently and with a theoretical knowledge, and then agree to share the points. They virtually always later forget the moves they have sealed and try to turn the draw into a victory. They did so once again during the continuation of the session of the Constitutional Commission and later at the meeting of the assembly chambers. For example, the very people who have been advocating a Western-type democracy tried at the session of the Sociopolitical Chamber to "get in the good graces" of the worst hardliners among members of the League of Communists by claiming that the majority election principle is applied only in conservative regimes, such as British and American.

Of course, Smole and Potrc have seen through this game. Moreover, the president of the Slovene Socialist Alliance of Working People showed quite a few signs of anger in retorting to Zoran Taler, an alternative movement representative, reproaching him for using the festive atmosphere before the adoption of the amendments for narrow-minded aims and for fishing in muddied waters. These were the first serious reproaches to the alternative movements on the part of the official politicians, if we overlook a remark Andrej Marinc made at the session of the Central Committee of the League of Communists of Slovenia the day before: Marinc claimed that while official politicians were waging a struggle for the national cause, the alternative movements were making their help conditional upon being given concessions in the electoral system. Therefore, the towahawk has been dug up, so one can expect a struggle for the electoral system to begin, particularly a struggle for the vacant place on the throne of power, the monopoly of which the party has given up, as Kucan had promised.

Lulling the Opponent to Sleep

The alternative movements, that is, the two strongest parties among them, Pozarnik's and Rupel's Slovene Democratic Alliance and Tomsic's Slovene Social Democratic Alliance, have so far been trying to lull their opponent to sleep by making statements that they see few chances at the next elections and that they prefer a true establishment of democracy to present struggles. However, representatives of the youth organization who will appear at the elections as a party and who also count as one of the alternative movements, are the only part of the "Anti-Kucan Coalition" to announce serious electoral showdowns, according to a statement by Dejan Vercic, their militant leader. They will all have more or less the same programs, Vercic says. Moreover, they will adjust them to the voters on the monthly basis. Having somebody like Kucan is the Communist Party's advantage, but its very name is its disadvantage. However, the party cannot change its spots.

Therefore, the alternative movements are trying to lull their opponent to sleep and then apply the tactics of a sudden tiger's leap. Moreover, Janez Jansa says that the youth organization belongs to the official side and, forecasting the outcome of the elections, adds that Joze Skolc stands no chance against Milan Kucan. However, together with the lullaby, the alternative movements are fighting for every inch of their electoral standing. At the same time, they demand that the rules of the game should be introduced as soon as possible, including the rule that the media must devote equal attention to everybody and that everybody must use the same resources for the election campaign. Certainly, they keep in mind that Joze Smole and the Socialist Alliance, as a socialist party, will also leap like a tiger and join the struggle on the communists' side. Perhaps the members of the alternative movements do not see Smole as an opponent equal to Kucan, but Smole has a team of high-quality experts who possess an extraordinary knowledge of matters.

It has already been said that there will hardly be any difference in the programs for elections, and the social democrats in the [Yugoslav] region of Styria even admit that they have copied a large part of Kucan's program. Therefore, everybody will advocate an autonomous [samostalan] and economically stable Slovenia turned toward Europe. However, this very fact can be deceptive. If things are reduced more drastically, everything boils down to two documents: the "May Declaration" and the "Basic Charter." The former envisages Slovenia which is somewhere else and the latter envisages Slovenia in Yugoslavia. Although Rupel's demands are more subtle, one should not forget that France Tomsic has demanded that Slovenia have its own army, own church, and own state without the people from the South and the advocates of Bolshevism. Certainly, in his first address to the voters, he will try to express all that in a less drastic form than at the May meeting.

Thus the political ball has been opened and Kucan has arrived riding a horse. As things are now, even an associated opposition will not find it easy to pull him off his horse. However, those in other communities who are more or less attacking Kucan today and could help to dethrone him, are probably not even thought of the idea that his place could be taken by another rider, in fact a rider of the Yugoslav Apocalypse.

SAWP Attitude Toward Roundtable Questioned

LD0610024489 Belgrade TANJUG Domestic Service in Serbo-Croatian 1913 GMT 5 Oct 89

[Excerpt] Ljubljana, 5 Oct (TANJUG)—Will the "roundtable" as the place for exchanging opinions and providing for dialogue between the "official" and the alternative" political organizations in Slovenia, fall to pieces? This is the question which inevitably arises following today's second session of the "roundtable," recently set up at the initiative of the SAWP [Socialist Alliance of Working People].

Actually, immediately after the "laborious" adoption of the agenda, the representative of the so-called "alternative," Matez Krivic, dispensed a statement under the title, "Why we no longer want to participate in a roundtable such as this" to the members of the roundtable and to the journalists there. The statement has been signed by 11 organizations and associations. The crucial criticism in the statement has it that at the session of the constitutional commission on 25 September and of the Slovenia Socialist Republic Assembly on 27 September the representatives of the League of Communists and the SAWP (the president of the "roundtable", Joze Smole, excluded) were not advocating the stands agreed upon at the "roundtable". (This refers to the amendments regarding elections to socio-political chambers.)

According to the statement, the fears that these two organizations were interested in the "roundtable" only in the event of serious outside pressures in Slovenia and even then only to the extent which suits them turned out

to be well-grounded. The conclusion: They do not demonstrate willingness to enable, at least in the framework of the "roundtable", the new political subjects to exercise a corresponding influence on political events.

At the end of the statement it is stated that further participation in the "roundtable" is pointless unless the attitudes of the LC and the SAWP toward these issues change essentially. [passage omitted]

'Dilemmas' About Date of Drnovsek's Return

AU0610204589 Belgrade BORBA in Serbo-Croatian 29 Sep 89 p 14

[D. Bisenic report: "Normal, But Somewhat Earlier"]

[Text] The arrival of Dr Janez Drnovsek, president of the SFRY Presidency, to the session of the Slovene Assembly and the promulgation of the amendments to the republican constitution has attracted the attention of the Yugoslav media, all the more so because it has been stressed that "Janez Drnovsek interrupted his visit to New York" where he had spoken at the meeting of the UN General Assembly.

POLITIKA stresses this in the title of its report on the session of the Assembly of the Socialist Republic of Slovenia ("Janez Drnovsek Interrupts Visit to New York and Attends the Session"). Sarajevo OSLOBODJENJE also notes the presence of the president of the SFRY Presidency, but adds that "although expected to come, Janez Drnovsek, president of the SFRY Presidency, was not there. He only attended the morning session of the Assembly of the Socialist Republic of Slovenia."

"I Wanted To Return"

POLITIKA EKSPRES remarks that Miran Potrc's morning speech was "followed by the delegates' frenetic applause which was joined, albeit reservedly, by Dr Janez Drnovsek, president of the SFRY Presidency." By the way, VJESNIK, POLITIKA, and OSLOBODJENJE have carried a photograph showing Dr Drnovsek's arrival at the session, while DELO carries a photograph of Janez Drnovsek and Janez Stanovnik at Ljubljana Brnik airport. Some radio stations also carried commentaries on the premature arrival of the president of the SFRY Presidency.

In the seething atmosphere following the adoption of the controversial amendments, the dilemma on whether the return of the president of the SFRY Presidency was premature or planned is being used, among other things, for interpreting the relations in the SFRY Presidency and the question is asked whether the members of the SFRY Presidency are really the collective head of state or merely delegates of their republics and provinces. It was thus particularly noted that Janez Drnovsek was left in the minority during the debate at the SFRY Presidency. This time, a special focus was placed on the fact that the SFRY Presidency had held one more session and issued another, albeit "sharper announcement" concerning the constitutional amendments in Slovenia, but had done so in the absence of its president. After returning from New York, Drnovsek himself said that he had concluded his visit to the United States earlier and that he had performed all his major tasks there. "I wanted to come back and attend the final debates concerning the adoption of the amendments in the Slovene Assembly," Drnovsek said.

One Was More Inclined Toward Thursday

Meanwhile, Miran Potrc, president of the Slovene Assembly, has rejected the rumors that Dr Drnovsek returned at Slovenia's request. "He returned normally when he finished the tasks he had to do in New York, although it was somewhat earlier," Potrc said. When commenting Dr Drnovsek's absence from the SFRY Presidency session from which the second announcement was issued, Potrc said that "this should not be sensationalized" and that the SFRY Presidency "held a normal debate." Potrc pointed out that the Slovene representatives briefed Dr Drnovsek on "current events in the country during the time he was in the United Nations" and that Janez Drnovsek will spend a short time in Slovenia to rest (on Wednesday), and will leave for Belgrade on the next day.

How long was it really planned for the president of the SFRY Presidency to stay in New York? According to Lazar Vracaric, head of the Press Bureau of the SFRY Presidency, when the visit was being planned, both Wednesday and Thursday were mentioned as possible days of return. "True, one was more inclined toward Thursday. Had he stayed 1 more day, the president would have probably had some more contacts with foreign statesmen, Lazar Vracaric says for BORBA.

When speaking about the SFRY Presidency session which was held without its president, Vracaric says that the Presidency performed its duties as it normally does. As our correspondent from the United States has told us, it had already been known in New York that Janez Drnovsek was planned to fly for Yugoslavia on Tuesday afternoon. There were some problems about the fact that the regular JAT [Yugoslav Airlines] New York-Belgrade flight does not stop over at Brnik Airport on Wednesdays (that was when the president of the SFRY Presidency arrived in Yugoslavia). As far as BORBA could learn, it is true that it does not stop there, which means that a special arrangement was made.

Serbian Official Criticizes Slovene Amendments

LD0910153489 Belgrade TANJUG Domestic Service in Serbo-Croatian 1131 GMT 9 Oct 89

[Text] Odzaci [Vojvodina], 9 Oct [TANJUG]—League of Communists of Yugoslavia [LCY] has no prospects for an important role in society as a coalition of republican and provincial LCs, just as Yugoslavia has no prospects for successful development as a confederation.

Bogdan Trifunovic, president of the Serbian LC Central Committee [CC] Presidium, stressed today at the Odzaci LC electoral conference.

Analyzing the adoption of the amendments to the Slovene Constitution, Trifunovic said that this act has in some major elements destroyed relations in the Federation and the equality of the nations and nationalities because one republic has established for itself a privileged status in the Federation, in such a way that it can get what it wants for as long as it wants

Trifunovic Opposes Confederalism

LD0910174189 Belgrade TANJUG in English 1406 GMT 9 Oct 89

[Text] Odzaci, Oct 9 (TANJUG)—The League of Communists of Yugoslavia (LCY) has no prospects whatsoever of playing a major role in society as a coalition of republican and provincial parties, just as Yugoslavia has no prospects whatsoever of developing successfully as a confederation, Serbian party leader Bogdan Trifunovic said today.

Speaking at a political meeting in Odzaci, Trifunovic reiterated Serbia's position that "the essential elements of relations within the (Yugoslav) federation have been disrupted" with the adoption of the amendments to the constitution of the Republic of Slovenia, including the amendment which gives Slovenia the right to break away from Yugoslavia and unite with other nation.

Trifunovic said that the Slovene amendments had disrupted also the equality of the Yugoslav nations and nationalities, since Slovenia had given itself a privileged status in the Yugoslav federation by entitling itself "to be a part of the federation to the extent to which it suits it and for as long as it suits it."

The Serbian party leader accused influential media and individual politicians in Slovenia and Croatia of spreading misinformation about alleged greater-Serbian nationalism and unitarism and about alleged dogmatism and neo-Stalinism in Serbia.

He said that such actions reflected a refusal to accept the popular support lent to the Serbian leadership's policy and the fact that Serbia has restored its state powers in its two autonomous provinces.

Underscoring that the Serbian leadership was firmly committed to democracy, Trifunovic recalled that that leadership had inaugurated a political reform whose results would include a more democratic election system, guaranteed civic rights and an autonomous judicial system.

Kosovo LC Presidium To Consider Criticism

LD1010221589 Belgrade TANJUG Domestic Service in Serbo-Croatian 1713 GMT 10 Oct 89

[Excerpt] Prizren, 11 Oct (TANJUG)—The Kosovo League of Communists [LC] Provincial Committee Presidium will no longer ignore the increasingly frequent criticism of Kosovo's former and current functionaries. It will consider each case and pay attention to every argument. On this basis it will decide whether criticism is founded. The practice of not reacting to individual criticism will no longer be tolerated.

Tomislav Sekulic, secretary of the Kosovo LC Provincial Committee Presidium, said this last night at a protest meeting of several hundreds of citizens of Serbian, Montenegrin and also Albanian, Turkish and Muslim nationality of Prizren.

For the last 10 days one of the Prizren citizens has been organizing meetings in protest at cadre machinations in the municipality and to single out for criticism a number of municipal and provincial officials.

Dissatisfied citizens hold these officials as being most responsible for the situation in Prizren and have warned of the fact that these officials are being stubbornly nominated for the most responsible offices in the municipality, the province, and even higher.

The officials most often mentioned are Baskim Hisari, member of the Kosovo LC Provincial Committee Presidium, and Sulejman Brina, Dzemo Godja, Tahir Nalbani, Bozo Karalajic, Jordan Kostic, Omer Cipa—all municipal officials. They are at the center of the demands for dismissals and replacements. [passage omitted]

Kosovo LC President on National Inviolability

LD1110195989 Belgrade TANJUG Domestic Service in Serbo-Croatian 1418 GMT 11 Oct 89

[Text] Titova Mitrovica, 11 Oct (TANJUG)—Today at the electoral conference of the Titova Mitrovica League of Communists [LC] Rahman Morina, president of the Kosovo LC Provincial Committee Presidium warned that no one can retailor the borders of our country, decide about our common destiny, the SFRY's territorial integrity, and about the very existence of this country. We cannot accept the destruction of the most precious achievements of the revolution. Now it is quite clear, Morina added, who and why, outside Kosovo, supported destructive forces in the November and February events in the province.

The president of the Kosovo LC Provincial committee presidium stressed that the experience of this province demonstrated that champions of nationalism and separatism will have no qualms about sacrificing a whole nation in order to achieve their goals.

Today's session also judged that the political situation in the municipality is still complex and difficult.

Kula, Vojvodina LC Officials Punished

LD0610213489 Belgrade TANJUG Domestic Service in Serbo-Croatian 1610 GMT 6 Oct 89

[Text] Kula, 6 Oct (TANJUG)—At a session of the Kula League of Communists [LC] Municipal Committee it was decided to expel the former executive secretary of the Vojvodina LC Provincial Committee [PC], Mihajlo Katona, from the ranks of the LC because, it was said, of his activity during the promulgation of the constitutional amendments to the constitution of the socialist republic [SR] of Serbia as well as his stance on the arrival of the Serbs and Montenegrins from Kosovo in Novi Sad.

The same measure—expulsion—was pronounced on Momir Tihomirovic, former president of the LC Municipal Committee Presidium because, the communique stresses, he acted destructively in this environment during the promulgation of the constitutional amendments to the constitution of the SR of Serbia. It is said of him that he even threatened communists and behaved in a despotic way. While he was president of the Municipal Committee Presidium, the leadership of this environment found it necessary to receive Azem Vlasi as a guest.

Karo Ljesevic was also expelled from the LC because he was one of the first at a session of the Vojvodina Assembly to speak out against the amendments to the constitution of the SR of Serbia and persistently advocated the proposed solutions from the Socialist Autonomous Province of Vojvodina. A warning was issued to former Serbian LC Central Committee member Djordje Ledjenac, and a final warning to Miladin Cepic, a one-time member of the Vojvodina LC PC.

At the Municipal Committee session, a request was made for the severest ideopolitical measures against Dr Svetislav Stojakov, a member of the Serbian LC Central Committee Presidium because, it is stressed, he in no way acted in keeping with the interests of the SR of Serbia nor in keeping with the interests and will of the people of this environment.

National Democratic Coalition To Be Set Up

AU0610093489 Belgrade BORBA in Serbo-Croatian 22 Sep 89 p 6

[S. Curuvija report: "All for Something, Something for All"]

[Text] BORBA has discovered that about 2 weeks ago Dusan Bogovac, representative of the Solidarity Fund, Franc Tomsic, representative of the Social Democratic Alliance of Slovenia, Branko Horvat, representative of the Association for a Yugoslav Democratic Initiative, and Slavko Goldstajn, representative of the Croatian Liberal Social Alliance, met in Zagreb and supported in principle the initiative from Dusan Bogovac and his Solidarity Fund for setting up a "democratic coalition (or coordinating group) of Yugoslavia." It was in fact decided that the participants would consult their "alternative grass roots" as soon as possible and then decide whether the formation of the proposed coalition would take place.

According to the initiative, the "democratic coalition of Yugoslavia," which was called in an earlier (rejected) variation "the Yugoslav opposition coalition," would not be any form of firm political organization but a form of "cooperation and joint action-political presentation of the existing democratic and critical groups and movements, workers strike committees, other independent alliances and citizens associations, and individuals with a democratic orientation in all parts of the country."

A Model of Association

According to the initiative, the points of departure for this democratic and voluntary association should be: First, "the retention of the full autonomy of the activities of each organization as a collective member according to its own program and orientation; second, "the mutual exchange of information and cooperation with each other and the public presentation of agreed joint stands on all issues of wider, humane, democratic, civilized, and general Yugoslav importance," and third, "active participation in the democratic setting up of a Yugoslav parliament."

"The democratic coalition of Yugoslavia," as its protagonists envisage, "should fill the existing vacuum and substitute for the democratic bourgeois parties which need time to be formed and get established." As stressed in the initiative, it could "make an essential contribution to clearing the way for the real introduction of political pluralism and a certain limitation of the party-state monopoly—uniting the great democratic social potentials which are still dangerously stifled and weakened, particularly by the current national divisions and invented conflicts."

The day before yesterday [20 September], (separate) meetings were held in Ljubljana and Zagreb by the political alternative groups of Slovenia and Croatia at which this initiative was discussed.

As Franc Tomsic told BORBA yesterday, the coordinating body of the Slovene political alternative groups agrees that "something should be set up" at the Yugoslav level, but this should not be, as he said, a new organization which would have its own kind of Central Committee from which stands would be forced on parts of the future coalition. The representatives of the Slovene political alternative groups have still not decided on "the points of departure" but as can be concluded from the telephone conversation with Franc Tomsic, the ideas in the initiative are quite close to them, especially the idea which insists on the stand that in this atmosphere of all sorts of "quarrels and conflicts" an agreement is nevertheless possible, as well as joint representation of the political alternative groups which surpass national borders. As Tomsic claims, the Slovene alternative groups

"already have good bilateral relations" with the political alternative groups in other parts of Yugoslavia.

Interest in Cooperation

As Slavko Goldstajn, the initiator of the Zagreb meeting, told us, this meeting was attended by the representatives of seven "pluralist democratic initiatives from Croatia": Zelimir Zanko (Society for Yugoslav European Cooperation), Zeljko Posko (the Croatian radicals), Ivan Veljaca (Peace-Democratic Movement from Split), Zoran Ostric and Andjelko Miloradovic (Initiative for Setting Up a Green Alliance), Dr Milorad Pupavac (Association for a Yugoslav Democratic Initiative), Dr Franjo Tudjman, Josip Manulic, and Neven Jurica (Croatian Democratic Community), and Franjo Zenko, Vlado Gotovac, and Slavko Goldstajn (Croatian Social Liberal Alliance).

The main aim of the meeting was to set up a coordination committee of pluralist-democratic movements in Croatia (which also decided that each movement would delegate two of its representatives), and the participants also discussed the "democratic coalition of Yugoslavia." The participants at the meeting, as Slavko Goldstajn said, were very interested in cooperation between the Yugoslav political alternative groups and were ready to meet with the Slovene "coordinating group" and with representatives of the Solidarity Fund as soon as they set up their own coordination committee (the formation of a coordination committee is envisaged for next Thursday [28 September]). The only reservation that the Croatian political alternative groups have at the moment toward the initiative consists of the following: They think that the word "coalition" in the title should be replaced with "coordination group." If one judges by the ambitions of the initiators and the future parts of the "coalition" (coordination group), the existence and aims of the "democratic coalition of Yugoslavia" could be announced as early as the beginning of next month.

As has been discovered, as well as the aforementioned movements, the coalition could from the very beginning be joined by the "Movement for the Protection of Human Rights in Yugoslavia" from Belgrade, the "Association for Promoting Democratic Processes" (from Niksic), and the Mosevac Local Community.

[The following passages appear boxed within the body of the item]

"Zora" Has Also Been Invited

Several participants at the meeting held the evening before last by representatives of alternative movements from Croatia asked the question why the meeting had not been attended by a representative from the Serbian cultural society, "Zora" in Knin. They received the reply that the only reason for not inviting them was the dilemma over whether only cultural aims dominated the orientation of this society or if there were political aims as well (it was desirable for them to be political). It was agreed that "Zora" would be invited to future similar meetings and would join the coordination committee if it wanted to.

Against Political Violence

It is planned for next Thursday when the coordination committee of the pluralist democratic movement of Croatia is expected to be set up, that its first public statement will be published. In the statement, they will protest against "all forms of the suppression of democracy in Yugoslavia and all forms of political violence." As we have discovered, the coordination committee will raise a voice of protest against attempts to deny the legitimacy of the Knin "Zora" group, the trials of Jovan Opacic and Azem Vlasi, the ban on registering the Association for a Yugoslav Democratic Initiative, and against the prevention of such registrations in Croatia in general.

Youths Detained After Shooting at Serbian Firm

LD1010181489 Belgrade TANJUG in English 1644 GMT 10 Oct 89

[Text] Sarajevo, Oct 10 (TANJUG)—A group of underage youths, who recently fired shots at the representation offices of the Electronics Industry (EI) NIS in Sarajevo, capital of the Yugoslav Republic of Bosnia-Herezegovina, have been captured and misdemeanor requests have been filed, the police said here on Tuesday.

In the night between October 4 and 5, four teenagers fired small-bore guns at the sign and window of the Serbian firm's offices.

They claimed that twenty days ago, together with two other teenagers, they had made alterations on their toy pistols and obtained small-bore ammunition in order to impress their friends, which regularly meet near the EI NIS offices.

The police filed charges in court against the offenders and the Sarajevo investigative judge ruled that they be detained.

Army Recognizes Federal Constitution 'Only'

LD0810170589 Belgrade TANJUG in English 1350 GMT 8 Oct 89

[Text] Belgrade, October 8 (TANJUG)—We recognize only the federal constitution and, under it, we shall carry out the orders we receive from the state leadership as supreme commander of our army, said recently retired chief of staff of the Yugoslav Armed Forces General Stevan Mirkovic, commenting on controversial constitutional changes in Slovenia.

In an interview to the Belgrade daily VECERNJE NOVOSTI General Mirkovic said that the controversial amendments to the republic's constitution in the domain

of defence are not binding in any way on federal organs and, consequently, on the Yugoslav People's Army as part of the federal state.

By adopting changes to its constitution late last month Slovenia strengthened its state sovereignty and autonomy, along with the right of self-determination, secession and association. It also restricted the State Presidency's jurisdiction in deploing the Armed Forces and declaring a state of emergency on the republic's territory.

Final judgement on the changes in Slovenia's constitution and constitutions of the other federal units will be given by the federal Constitutional Court.

Speaking of heated polemics on the role of the Army in deteriorated inter-ethnic relations and conflicts in top political circles of the country, General Mirkovic said the people should not fear the Army because it would never be used against it or for undemocratic purposes.

In his assessment, the Army has remained united despite everything, because its composition corresponds to the national composition of the country, and all its members are being educated in Yugoslav spirit.

General Mirkovic confirmed that there have been sporadic attempts, mostly among ethnic albanians, to undermine the unity of the Army. (Ethnic Albanians make up over 80 per cent of the population in Yugoslavia's Kosovo Province, where a separatist movement of members of this nationality is active.) He denied however that behaviour in this respect of Slovenes in the army and in the whole republic has essentially changed and called some Slovenian opinion polls pointing in that direction one-sided.

The senior Army officer revealed in the interview to the Belgrade paper that professionalism was being introduced on a larger scale in the Yugoslav People's Army, especially where the handling of costly technology was involved.

FEC To Ensure Conformity With Constitution

LD0610205889 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 6 Oct 89

[Text] According to Article 270 of the SFRY Constitution it is envisaged that Federal Laws and other provisions and [words indistinct] are obligatory across the entire territory of Yugoslavia unless it is clearly envisaged by these provisions that they are effective in a limited area. This is the essence of the Federal Executive Committee [FEC] answer to the question of the delegate in the Yugoslav Assembly's Federal Chamber, Radivoje Seekic, as to what the FEC, which is constitutionally responsible for the overall situation in the country, will do, and what the Yugoslav's Assembly's intentions are on actions on its behalf, in order to overcome the situation following the adoption of the amendments to the Slovene Constitution. In this connection, the FEC, it is stated in the reply, will undertake measures, in line with its responsibilities, endorsed by Articles 12-37 of the Yugoslav Constitution, needed to ensure the implementation of the Federal Constitution across Yugoslavia's whole territory.

Sarajevo TV Interviews Markovic on Inflation

LD0610154789 Belgrade TANJUG Domestic Service in Serbo-Croatian 1129 GMT 4 Oct 89

[Text] Sarajevo, 4 Oct (TANJUG)—I have never mentioned a moment from which a fall in inflation can be expected. Moreover, in my report to the Federal Assembly last Friday I predicted that inflation would reach record levels in the course of September, and I said why this was so, Federal Executive Council [FEC] President Ante Markovic said in the Sarajevo television program "Dialogues" in reply to a question on inflation, which reached as much as 48 percent in September. This was the FEC president's first interview since he took up this post last spring. Taking part in last night's interview in the Sarajevo studio were journalists from several of our television centers, and Markovic also replied to many questions from viewers.

We have reached a phase of inflation growth which is primarily the result of those real causes of a more long-term character, which require a far more long-term approach in diagnosis and method of treatment, and everything else that ensues. Therefore, the FEC president explained, it is not simply a question of the real causes of inflation, but also now of the so-called psychological factors that affect inflation, the so-called inflationary expectations. These inflationary expectations were felt strongly in the past month, in particular.

Ante Markovic said that numerous influences contribute to the so-called psychological factors of the rampant inflation, and cited as an example the case of one of our forums proclaiming its commitment to the adoption of a firm anti-inflationary program. It also is affected, according to Markovic, by the creation of an atmosphere such that we are in a situation in which shock therapy must be used, and so on. The FEC president said that during the Zagreb trade fair he had talks with many businessmen, with clothing manufacturers, for example, and I quoted to them the example, Markovic said, of our ready-made clothing always having far lower prices than in Italy. Now, for example, traders in Buje have told us that they buy clothing from Italy because it is two to three times cheaper than clothing from Yugoslavia. The clothing manufacturers replied that they can give the same prices, but trade demands of them the so-called payment value, that is [passage indistinct]

Replying to a question from a television journalist on the FEC's short-term activity aimed at inflation, President Markovic recalled his recent report, which contained 10 points which the FEC intends to undertake to bring down inflation. Among these, he noted the FEC decision on the so-called separation of the cost of goods from the cost of capital, so that the cost of capital is not built into

the cost of goods, but is added at the moment of sale to the purchaser. If this is implemented, Markovic said, it means all products that have built into them such inflationary expectations should be reduced in price by three to four times. However, if the buyer were to purchase these same products some time later, their price would be somewhat higher, but not the price which includes inflation from three or four months ahead.

The FEC president stressed that the organ of which he is the head has the legislative right to call for the separation of the cost of goods from the cost of capital, and added that as of today, or rather Wednesday, teams of inspectors will be going out into the field to insist that the separation of the one from the other is carried out as soon as this month.

The FEC president expressed the justifiable expectation that work collectives would behave responsibly when calculating the payment of personal incomes and that they would not include anticipated inflation in personal incomes.

Ante Markovic went on to speak, in reply to a question, about the policy of the liberalization of prices, imports, the availability of foreign currency, and the formation of personal incomes. This has, in his view, yielded excellent results in exports and the creation and growth of foreign currency reserves. He stated that foreign currency reserves yesterday stood at $5.35 billion, that is $200,000,000 more than a few days ago when he submitted his report in the Federal Assembly. In addition, short-term borrowings abroad in March amounted to about $1.7-1.8 billion and now amount to only something over $500 million, in other words our short-term foreign borrowing has been halved.

We have now created an excellent situation with foreign currency reserves, FEC President Ante Markovic assessed, which enables us to carry out further liberalization. This is why we have now decided to go a step further. We have liberalised 87 percent of total imports, and in addition we have now partially liberalized the imports of consumer goods, and the second part of the goods is coming up on the agenda. The second part also includes cars, Markovic noted and added that the FEC has also reduced taxes and duties. FEC President Ante Markovic said that in the public arena the unanimously supported FEC program for a way out of the economic difficulties is unlikely to meet with opposition. However, the FEC President stressed, when the practical, pragmatic measures begin to be implemented, it is clear that the new system which is a negation of the old, and that means a negation of privileges, idleness, negligence, disorganization and unproductivity—that is the factors which created these problems in this country and led us to social tensions and their politicization—it is clear that then, in such a situation, and prior to elections as well, it is not surprising that calculations are frequently reduced to a very narrow area and to very prosaic issues, which then go beyond the general basis that we have agreed. [sentence as received]

Ante Markovic went on to say that the development of the reform of the economic system sooner or later comes into conflict with the frameworks of the political system, and particularly the party political system. And the deeper you get into reforms, the more the conflict between the one and the other reaches a critical point, and then you have obstructions, delays, hindrances, and, in fact, the elimination of that reform process, or the economic reform is transferred into the political sphere, and thereby becomes a universal reform of the system.

In the first place I sought consensus via the inauguration and everything that preceded it, and I believe that that consensus was there. All the republics and provinces and the Yugoslav Assembly unanimously endorsed this mandate, approved this composition of the FEC, its leader Ante Markovic said in reply to a question saying that the FEC is working too slowly. I was aware that at a certain point in time I could expect all the forces which will jeopardize reform to become active on the basis of the social tensions, which will be increasingly pronounced as we proceed deeper into reform. These are the forces which will lose privileges, which are conservative, dogmatic, and a number of others which will unite against the FEC program, that is against the Yugoslav Assembly. For me, then, this is not anything which I had not expected.

Today, of course, it is no longer a question of consensus, rather our program has the support of the majority. The fact is that in these 6 months we have done everything that constitutes the prerequisite for real reform. In the first place, with the laws which have now been adopted by the Federal Assembly, and that was an enormous task, as Markovic noted, we have formulated all the systemic solutions which make possible the formation of a commodity market, capital market and labor market. At present there are two more laws in the Federal Assembly which are relevant—the law on foreign exchange and the law on relations with foreign countries. In the case of the law on foreign exchange, there are problems with clearing, while in connection with the law on foreign trade transactions, there are problems with the so-called joint programmes which are, in my view, a shortcoming of the consensus economy.

Thus, the FEC President continued, we have in practice created the backbone of the system, and in a relatively short space of time. We have consistently implemented pluralism of ownership which did not exist at all before. We have generally made a break with an ideology which has held sway for many years.

In connection with the measures taken by the FEC, Markovic went on to illustrate their excellent effect with details. The increase in exports in September was 29.2 percent to the convertible currency area, which, when the basket of currencies is taken into account, amounts to about 35 percent. We have never had that before, Ante Markovic stressed.

POLITIKA on Markovic Assembly Speech

AU0610192589 Belgrade POLITIKA in Serbo-Croatian 1 Oct 89 p 7

[Zvonko Logar commentary: "Lost in the Fog"]

[Text] Any extensive public speech by Ante Markovic is a special event. The premier's words are carefully scrutinized both by those who agree with his policy and by those who criticize it most fiercely. In this case, this should be ascribed less to our disposition than to the widely held opinion that the key to our situation has been held in the past months precisely by this man, either by his action or his inaction.

After his latest speech in the SFRY Assembly, the first impression is that he talked a lot but that we heard little that was new. In his pedantic way he described in detail all that the government had done so far, basically defending the thesis that was heard so many times recently: that nothing could have been done against inflation until the necessary systemic and material conditions were met. Nevertheless, this assertion was contained in his speech rather implicitly than explicitly.

Unless the impression is false, this time the premier was not at all disposed to enter into polemics with the critics of his policy. One could suspect a polemical spark only in some imprecise allusions. Even when at the conclusion of his speech he gave vent to his emotions, he refrained from directing any sharp shafts at anybody in particular. He rather appealed to reason; he asked that conflicts be left aside, that one should not proceed from individual interests so much, that every case should not be politicized, and that matters should be regarded more pragmatically. This means that he did not repeat the mistake of one of the recent session of the Central Committee of the League of Communists of Yugoslavia, when he displayed a wish to interfere in the current political clashes in the country. This time he undoubtedly presented himself as a skillful and seductive politician who knows what to say to an auditorium which is best called upon to judge on what is offered to it.

The latest Markovic speech, which fits somewhere between a description of the situation and an interpretation of the measures that the government has undertaken or intends to undertake, nevertheless could not change the impression that the premier persists a great deal in the stance that a comprehensive move against inflation is not yet possible and that there is no need for a comprehensive anti-inflation program. In spite of everything that we heard from him, we remain convinced that it is a matter of measures thought up in a hurry that do not make an impression of consistency. They are indeed moves known from books on economics, but it is extremely important that they are applied to the correct degree if they are to be successful. From what the government has said, and also from the latest premier's speech, one cannot see that he possesses a reliable prescription.

What is more, one has the impression that Markovic's team does not know on what ground the measures offered will fall. The estimates that should present an actual picture of the situation in our economy are yet to be prepared. It seems that one knows something only about the financial situation of our banks. Probably the premier does not talk off the top of his head when he mentions $1 billion of foreign money to put them on their feet. And what about the rest of the economy, except that it is known that it is in a miserable condition? The Federal Executive Council thus resembles a doctor who prescribes a broad-spectrum antibiotic to the patient. This is usually done when one does not know the precise location of a disease and it is not quite certain that the correct diagnosis has been established.

A particularly vulnerable thesis in the government argument is the assertion that nothing serious could have been done against inflation until the basic institutional framework of the new economic system is established. It is certain that without it, our economy cannot be brought into a sound economic equilibrium, and there is no chance of a final defeat of inflation. However, without any disparagement of what the government has done in projecting the new economic ambience, or what it has wished to do, it is a fact that nothing of the new system has been practically implemented. Neither have all the enterprises been reorganized and made ready, in their organization and their personnel, for market competition, nor have all the regulations been adopted that will round up the new economic system. Does not Markovic himself admit that constitutional limitations exist defining the actual owner of social property, so that it may be transferred to mixed ownership, as well as to changes in the fiscal sphere, and that the Federal Executive Council cannot conduct its part of the macroeconomic policy without hindrance? For this purpose, he even asks for a creative interpretation of the Constitution, reminding us that much time will still be needed before all the necessary reform solutions find their place in some fundamental legal act of the country.

Perhaps it is precisely at this point that Markovic's greatest delusion can be seen. Because of his erroneous expectation that he will introduce the necessary systemic changes quickly, he lost his race with the time. The new system could not be quickly set up under the circumstances when the consensus of all in Yugoslavia is needed virtually for any macroeconomic decision. To make matters worse for the government, inflation has messed up all its calculations in the meantime.

One cannot accept without reserve Markovic's statement that inflation, with all the trouble that it has caused, has enabled more normal relations to be established between prices. First, with the chaos prevailing in the market, one cannot reliably establish what is what. And second, this calculation of repaired price parities—even if somebody has made it—must be doubted because the Yugoslav economy remains well protected from the influence of the world market and contains many monopolies.

The proposals suggested for bridling the rise in pay, and details from the discussions about this subject, indicate that we have to deal with pure improvisations. Something surely had to be done. Even the starting principle is correct: one can distribute only what has been earned. However, the attempt to tie personal incomes to the results of the preceding accounting period, followed by the concession that they may be indexed according to the increase of the cost of living in the preceding month minus 10 percent, merely serves as an illustration that the Federal Executive Council has no reliable guide to foresee what such a slowing down of the pay increases may achieve. To be more precise, it has only a general idea about its effects.

If one adds that the correlation between the control of earnings thus set up and the measures envisaged for prices is extremely weak, this attempt to bridle the inflation makes an unconvincing and unreliable impression. At least one cannot count upon a serious result in the short run. If prices are formed predominantly freely, and pay is limited, this provides no guarantee under the conditions of our distorted market. In addition one must bear in mind that some purchases cannot be avoided and that a portion of demand is completely "inelastic." Greater supply is a matter of the future, when the market opens to cheap foreign goods.

Therefore everything indicates that one cannot expect much from the present strivings to dampen the growth of earnings. It is probable that even the government puts much more trust in future collective agreements and the starting foundations which are to be prescribed by the Federal Executive Council for certain branches of the economy. Probably for this reason, the premier has announced that the concluding part of the program will follow when—as he put it—everything is definitely examined.

Finally, do we think about the extent to which these extensive debates and bargaining over the fate of earnings were an additional stimulus to unreasonable payments? There is probably no workers council in the country that has failed to have a session during these days to increase earnings. Here there was some collaboration with the Federal Executive Council which in its original proposed amendments to the Financial Transactions Law fixed 1 November as the date for the transition to the new way of paving incomes. This was changed at the last minute when the delegates in the SFRY Assembly decided that the October earnings should be guided by the August earnings, and not by those of September.

Thus it seems that the only benevolent circumstance for the beginning of the battle with inflation is the $5 billion of foreign exchange reserves. Thanks to this impressive sum, Yugoslavia has at least protected its flanks against foreign creditors.

All in all, we cannot shed the impression that the new Federal Executive Council package has been forced on it, whether because of the trouble in the country or the stance of the IMF. However, measures prepared in a hurry as a rule are never well constructed and thought out. One the one side, this destroys the thesis that Ante Markovic and his team did not underestimate inflation through all these months, and on the other side, it indicates that we are in danger of wandering off into the fog. There were opportunities to think this out much better, but the time has been lost. Cynics would say that when the goal is in fog, wandering about lost in fog is the shortest way to that goal.

Statement Issued on Markovic Talks With Unions

LD0610212889 Belgrade TANJUG Domestic Service in Serbo-Croatian 1556 GMT 6 Oct 89

[Text] Belgrade, 6 Oct (TANJUG)—By the adoption of a number of systemic laws recently in the SFRY Assembly—in addition to those already passed on earlier occasions—systemic preconditions are being created for the more resolute implementation of the economic reform, something that imposes certain obligations not only on state organs but also on working class organizations, above all, Yugoslav trade unions and the Yugoslav Economic Chamber. This was said today in the course of talks between Federal Executive Council [FEC] President Ante Markovic and representatives of the Yugoslav trade unions and the Economic Chamber of Yugoslavia. The president of the Federation of Trade Unions of Yugoslavia, Andjelko Vasic, and the president of the Economic Chamber of Yugoslavia also participated in the talks, it is stressed in the FEC Secretariat for Information's statement.

As was underlined, the further we proceed toward reform the more urgent is the need to resolve numerous problems adequately; not only those of an economic nature but also those of a social and political nature that will emerge in the course of this process, the nonresolution and postponement of which might even jeopardize the reform itself. In this context, one should bear in mind that the reform is being implemented under circumstances of high inflation which calls for adopting resolute measures in order to abandon the inflationary methods of financing to come up with real funds to cover various losses, dubious account, budgetary financing, and other sources of pressure on the social sphere.

The representatives of the Federation of Trade Unions of Yugoslavia and the Yugoslav Economic Chamber expressed their support for the FEC's program, measures, and activities already taken to change the economic system, curb inflation, and change the economic structure, primarily to the advantage of small and medium-sized enterprises which can employ a great number of those workers who will become unemployed during the implementation of the reforms.

FEC President Ante Markovic reflected upon this by saying that successful reform needs a strong, expert, capable, and free trade union enjoying the working class' full support. The transition to collective contracts which would facilitate a stimulative policy of dispensing personal incomes was discussed as well as some other issues regarding the establishment of the work force market and its bearing on the implementation of the new Law on Work Relations. Considerable attention in the course of today's talks was also dedicated to the transformation of social property into more efficient forms of social capital, the statement says.